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MASSACHUSETTS ENTERPRISE

Commonwealth of Massachusetts
Massachusetts Office of Business Development

MASSACHUSETTS

FINANCIAL RESOURCES

DIRECTORY

1991

William F. Weld, Governor
Daniel S. Gregory, Secretary, Economic Affairs

TABLE OF CONTENTS

I. FINANCING FOR PRIVATE SECTOR.....1

Business and Industry Loans.....2
Community Development Finance Corporation.....3
Economic Development Administration.....5
Industrial Services Program.....8
  Massachusetts Economic Stabilization Trust Fund.....8
Massachusetts Business Development Corporation.....9
  Massachusetts Certified Development Corporation.....9
Massachusetts Capital Resources Company.....11
Massachusetts Government Land Bank.....12
Massachusetts Industrial Finance Agency.....14
Massachusetts Product Development Corporation.....21
Massachusetts Technology Development Corporation.....22
1% Investment Tax Credit.....23
Small Business Administration (SBA 504).....24
Tax Incentives for Rehabilitation of Older Structures.....27
The Thrift Fund.....31
Trade Adjustment Assistance for Firms.....34

II. FARM ASSISTANCE PROGRAM.....36

Farmers Home Administration.....37
  Emergency Disaster Loans.....37
  Farm Loan Guarantees.....40
  Farm Operating Loans.....46
  Farm Ownership Loans.....47
  Soil and Water Loans.....48
  Youth Project Loans.....50
  Directory of County Offices.....51

III. COMMUNITY BASED ECONOMIC DEVELOPMENT RESOURCES.....54

Coastal Facilities Improvement Program (CFIP).....55
Coastal Zone Management.....58
Boatyard Preservation Restriction Program.....59
Commercial Area Revitalization District (CARD) Plans.....60
Community Development Action Grant (CDAG).....61
Community Development Block Grant Entitlement.....62
Community Development Block Grant - Small Cities.....63
Community Economic Development Assistance Corporation.....64
Community Facility Loans.....65
Economic Development Set Aside Program.....68
Historic Preservation Incentives.....71
Leeway Law.....73
Massachusetts Main Street Center.....74
Office Of Community Economic Development.....78
Open Space Program.....83
Special Projects.....84
Urban Redevelopment Corporations - Chapter 121A.....85

TABLE OF CONTENTS

IV. TRANSPORTATION PROGRAMS.....87

Highway Planning and Development.....88
Massachusetts Transit Funding.....91
Urban Systems Roadway Improvements.....92

V. SEWER AND WATER RESOURCES.....93

Waste Treatment Construction Grants/Loans.....94
Tier II Grants/Loans Program.....95
Sewer Collection System Grants/Loans Program.....97
Infiltration Inflow Grants/Loans Progam.....98
Water System Rehabilitation Program.....99
Drinking Water Filtration Facilities.....100
Leak Detection Program and Repair and Rehabilitation of Water Systems.102
State Water Meter Grant Program.....103
Sewer Collection System Grants.....104
Wastewater Treatment Construction.Grants.....105

VI. HOUSING PROGRAMS.....107

Elderly And Handicapped Housing.....108
Elderly Housing.....109
Family Housing Program.....110
Farm Labor Housing.....111
GNMA Mortgage - Backed Securities Program.....112
Housing Abandonment.....114
Housing For People With Special Needs.....115
Low-Interest Rehabilitation Loans.....116
Low-Interest Rehabilitation Loans and Grants - Section 17.....117
Massachusetts Housing Finance Agency.....118
Moderate Rehabilitation.....119
Mortgage Insurance.....120
Neighborhood Reinvestment.....121
Property Improvement Loan Insurance.....124
Basic Charactertistics of Title I.....125
Rental Assistance - Existing Housing - Section 8.....129
Rental Assistance Program - Chapter 707.....131
Rural Rental Housing.....132

VII. LABOR FORCE TRAINING AND PLACEMENT ASSISTANCE.....133

Bay State Skills Corporation.....134
Displaced Homemakers.....136
Training for Welfare Recipients.....137
Caravan for Communters, Inc.....139
Office of Training and Employment Policy.....141

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http://archive.org/details/massachusettsfin1991mass

TABLE OF CONTENTS

VII. FOUNDATIONS....142

Acushnet Foundation....143
Bird Companies Charitable Foundation, Inc....143
Cabot Corporation Foundation, Inc....144
Fidelity Foundation....144
Filene (Lincoln and Therese) Foundation, Inc....145
Ford Foundation....145
International Paper Company Foundation....146
Kendall (The Henry P.) Foundation....147
Lavanburg (Fred L.) Foundation....147
Lilly Endowment, Inc....148
Mott (Charles Stewart) Foundation....149
Norman Foundation, Inc....150
Rothschild (Herbert and Nannette) Fund, Inc....150
Rowland Foundation, Inc....151
Stearns (Artemas W.) Trust....151
United States Steel Foundation, Inc..(USX)....152

IX. GUIDE TO STATE ACRONYMS....153

FINANCING FOR PRIVATE SECTOR

These programs are aimed at providing expanding and emerging firms with access to the capital necessary to support their growth. The programs are federally, state and privately sponsored with a specific public purpose. Most programs are aimed at providing debt capital for fixed assets (land, buildings and equipment), although several programs are aimed at providing equity and "near-equity" capital for growth needs.

BUSINESS & INDUSTRY LOANS

Farmers Home Administration

Federal - FmHA

The Farmers Home Administration is not the direct lender in this program, but it is a guarantor of lending private sources. The agency will guarantee banks and other eligible lenders in their loan assistance to the borrower. The loans may be used for business and industrial acquisition, construction, repair, modernization, purchase of land, machinery and equipment, furniture and fixtures, start up and working capital, processing and marketing facilities and pollution control. Interest rates consistent with market rates are determined between the borrower and the private lender. Loans are repayable over a maximum of 30 years on land, building and permanent fixtures, 15 years on machinery and equipment and 7 years on working capital. A 20-30 percent equity investment is required. Generally the minimum loan size is $500,000 and the maximum loan is $1,000,000.

Contact:

Richard Lavoie
District Director
Farmers Home Administration
USDA
U.S. Post Office Building
127 Social Street- Room 173
Woonsocket, RI 02895
(401) 765-5500

(Jurisdiction includes Eastern Massachusetts and all of Rhode Island)

For Western Massachusetts

Brian Anderson, District Director
Farmers Home Administration
USDA
267 Amherst Road, Rd. 116
Sunderland, MA 01375
(413) 665-2603

Craig Dore, Chief
Community & Business Programs
Farmers Home Administration
USDA
451 West St.
Amherst, MA 01002
(413) 253-3471

COMMUNITY DEVELOPMENT FINANCE CORPORATION

STATE-CDFC

The Community Development Finance Corporation (CDFC) is a public corporation that invests money in business enterprises and real estate developments sponsored by community development corporations (CDCs) in economically depressed areas of Massachusetts. CDFC offers three investment programs: the Venture Capital Program, the Small Loan Guarantee Program and the Community Development Program.

The Venture Capital Program provides debt and equity financing to small, viable businesses for working capital. The preferred investment range is $75,000 to $300,000, with CDFC providing up to one-third of the total financing required. The terms of each investment are negotiated individually with CDFC.

The Small Loan Guarantee Program extends CDFC's financing capabilities to businesses requiring smaller amounts of capital (usually under $50,000). In this program, CDFC loans the CDC funds to provide the cash collateral to secure a guarantee of 50%, or up to $25,000, of an approved bank loan to a small business.

Through these programs, CDFC's investments support businesses that provide significant public benefits to the local community. To qualify, businesses should: 1) increase full-time, primary employment, to benefit residents of the CDC target area; 2) show that they are unable to meet their capital needs because of unavailability or high interest rates from traditional sources; and 3) have a reasonable expectation of being successful.

The Community Development Program offers flexible, short-term financing to CDC-sponsored residential, commercial or industrial real estate projects. CDFC may provide 20%, or up to $250,000, for financing specific, recoverable expenses or as one of the sources of CDC equity in a real estate project. This program assists CDCs to develop and construct affordable housing and develop commercial and industrial property that provides jobs, goods and services to the community and contributes to revitilizing the CDC area economy.

Financing requests originate with the local CDC, and are submitted to CDFC after a working partnership has been established between the sponsoring CDC and an interested business. Application forms and detailed information on CDFC's programs are available on request.

Contact:

Milton Benjamin, President
Community Development Finance Corporation
Suite 600
131 State Street
Boston, MA 02109
(617) 742-0366

ECONOMIC DEVELOPMENT ADMINISTRATION

FEDERAL-EDA

The Economic Development Administration (EDA) has a wide variety of programs aimed at encouraging economic development including public works programs, business loans, and economic planning grants. Four of the major programs and their current regulations are described below:

Title I Public Works and Development Facilities:

States, municipalities, special authorities, and public or private non-profit organizations are eligible to apply for grants for the acquisition, development, or expansion of public works facilities. Included are: water and sewer systems, site improvements for industrial parks, factories and port facilities. These funds cannot be used for the acquisition of land. Grants are for 50% to 80% of project cost depending on location. In order to apply for grants, an area must have an approved Overall Economic Development Program (OEDP) on file with EDA.

Title II Business Development Loans:

Any public or private entity including non-profit corporations, sole proprietorships and partnerships are eligible to apply for direct loans, to be used for the acquisition of fixed assets (land, building, equipment, machinery); land preparation; building rehabilitation; and working capital for industrial or commercial enterprises. Loans are available for up to 65% of project cost with up to 25 years to repay for fixed asset loans, and 5 years for working capital loans. Interest rates are based on the current U.S.

Treasury borrowing rates. EDA also guarantees up to 90% of the unpaid balance of loans and up to 90% of rental payments on guaranteed leases; interest rates on guaranteed loans are at prevailing market rates.

All loans must be consistent with the area's Overall Economic Development Program and be approved by a state or local economic development agency. In Massachusetts, this function is normally performed by the Governor's Development Office.

Title III Economic Development Planning Grants:

Government entities and organizations engaged in planning economic development activities can apply for direct grants to fund planning, staffing and administrative expenses related to economic development planning projects. A 25% non-federal match is required. Grants are for one year and are ordinarily renewed.

Supplemental and Basic Grants Program (Section 304):

The 304 program provides states (which must provide a 25% match) with monies to initiate and enhance eligible economic development projects. The types of eligible projects includes: grants for public works and development facilities; loans for public works and development facilities; business and industrial loans and loan guarantees; grants for technical assistance, research, and economic development planning; and grants for special economic development and adjustment assistance. Projects must conform to the state's economic development goals and policies.

WHO APPLIES:

The EDA programs in general, the following are eligible to apply: the authorities and quasi-public corporations created by the state or by municipalities; non-profit organizations representing any redevelopment area or part thereof; and private profit-making entities.

CONTACT:

Economic Development Administration
Thomas P. O'Neil Federal Building
10 Causeway Street, Room 420
Boston, MA 02222
Attn: William Fitzhenry
(617) 565-7235

INDUSTRIAL SERVICES PROGRAM

MASSACHUSETTS ECONOMIC STABILIZATION TRUST FUND
STATE - EST

The Economic Stabilization Trust provides funding for companies in mature industries which are at risk of closing. Funds are in the form of conventional loans at favorable rates of interest and with very flexible terms to suit the companys' needs. Loans are made when financing from conventional lenders is insufficient or unobtainable. While collateral protection is preferred, unsecured loans can be arranged.

PURPOSE OF ASSISTANCE:

The Economic Stablization Trust's purpose is to preserve as many jobs as possible and may be used for a transfer of ownership, restructuring the business or to implement a turn around plan where the business might otherwise fail or greatly reduce its employment. Also appropriate are employee buyouts.

WHO APPLIES:

Any Massachusetts company in a mature industry facing permanent layoffs or plant closing which wishes consulting or financial assistance. Company must be based in Massachusetts and plan to remain in state throughout term of assistance.

CONTACT:

Patricia Hanratty
Executive Director, Industrial Services Program
1 Ashburton Place - Room 1413
Boston, MA 02108
(617) 727-8158

MASSACHUSETTS BUSINESS DEVELOPMENT CORPORATION

MBDC

The Massachusetts Business Development Corporation (MBDC) is a private corporation under state charter which provides loans to private for-profit and non-profit firms which are unable to obtain financing from conventional lenders. Loans may be used for purchase or construction of fixed business assets (land, plant, equipment) and for working capital loans. These loans must also expand employment opportunities in the state and make economic sense. Loan terms are similar to conventional loans although MBDC allows for floating interest rates and longer terms (as much as 20 to 25 years) and can provide up to 100% financing, depending on need. If it is warranted, MBDC will help secure an FMHA or SBA guarantee for the loan.

MCDC

Massachusetts Business Development Corporation (MBDC) has created Massachusetts Certified Development Corporation (MCDC) for the purpose of providing expansion financing for Massachusetts businesses. MCDC is a statewide certified development company licensed under the U.S. Small Business Administration's Section 504 Program. Management is provided by MBDC's staff on a contract basis.

MBDC will become actively involved, if needed, both in the primary financing with a company's bank and on a consulting basis with MCDC to process applications under the SBA 504 program. In this manner MBDC will frequently be able to offer "one stop financing".(See description of SBA 504 program under Small Business Administration.)

MBAS

The Massachusetts Business Advisory Services Corporation offers financial consulting services to Massachusetts Businesses needing in excess of $1 million in financing. Serving primarily manufacturers and wholesale/distributors, MBAS will assist in restructuring existing financial arrangements or seek out new financing for expanding companies. Utilizing its extensive contacts in the financial community, MBAS will analyze your project, structure an appropriate financing package, and contact appropriate funding sources.

WHO APPLIES:

Private for-profit or non-profit firms which are unable to obtain financing from conventional lenders.

CONTACT:

Kenneth Smith, President
Massachusetts Business Development Corporation
One Liberty Square, 9th Floor
Boston, MA 02109
(617) 350-8877

MASSACHUSETTS CAPITAL RESOURCE COMPANY

STATE-MCRC

The Massachusetts Capital Resource Company became operative in 1978. It was formed by nine of the state's domestic (that is, in-state) life insurance companies to provide unsecured loans -- in the form of debt and equity financing -- to small and medium sized firms which are unable to secure comparable financing from other sources. The maximum loan amount for any one loan is $5 million with maturities of not less than five years.

An investment committee made up of members from the life insurance companies and a Gubernatorial appointee act on specific investments.

An investment pool of $100 million was established in 1978 and out of this, approximately $20 million is made available each year for investments.

Who Applies:

Small and medium sized firms unable to secure conventional financing. Those not eligible are real estate developers, financial intermediaries, retailers, construction contractors, public utility companies, and firms which have a Moody's bond rating of Baa or higher.

CONTACT:

William J. Torpey, President
Massachusetts Capital Resource Company
420 Boylston Street
Boston, MA 02116
(617) 536-3900

MASSACHUSETTS GOVERNMENT LAND BANK

STATE

The Land Bank is a quasi-public state agecny that provides financing and development assistance for real estate projects with a clear public purpose. The Land Bank typically provides below-market mortgage financing to affordable housing and economic development projects lacking sufficient public or private investment.

WHAT DOES THE LAND BANK OFFER?

- Permanent mortgages from $200,000 to $4,000,000;
- Below market fixed interest rqtes with 15 to 30 year amortization schedules (actual rate and terms vary with project need);

- Technical assistance and development assistance foe economic development projects to evaluate project feasibility, structure financing and carry out development tasks.

TYPES OF PROJECTS

- Projects that create new affordable hosuing or preserve housing where affordability is threatened including:
    - o rental housing of 20-40 units providing two or more bedrooms;
    - o limited-equity cooperatives with at least 20 units;
    - o single room occupancy lodgings; and
    - o transitional housing which includes social services and limited lease periods.

- Economic development projects that eliminate blight, create jobs and stimulate investment in areas of high unemployment or economic distress including:

  o industrial parks that include at least three sites;

  o multi-tenant indutrial buildings for at least three firms and having the potential to attract new or expanding businesses;

  o critical sites (underutilized parcels important to the local economy) that can be a keystone for other economic activity;

  o downtown commercial buildings that stimulate additional commercial activity in the area; and

  o small business incubators that serve start-up or diversifying businesses, have the capacity to make business loans, provide shared services and have long term job creation potential.

WHO CAN APPLY?

- Private developers, non-profit organizations, cities and towns.

CONTACT:

Timothy Bassett, Executive Director
Massachusetts Government Land Bank
One Court Street - Suite 200
Boston, Massachusetts 02108
(617) 727-8257

MASSACHUSETTS INDUSTRIAL FINANCE AGENCY

STATE-MIFA

The Massachusetts Industrial Finance Agency (MIFA) is an independent public agency established in 1978 to stimulate private investment and job creation through a variety of financing incentives. Through MIFA, businesses and non-profit institutions are given unprecedented access to domestic and international capital markets. To date, MIFA has financed 2,397 projects totaling over $5 billion and providing 80,000 jobs across Massachusetts. While MIFA's commitment to serve as a catalyst for economic development remains unchanged, MIFA has grown into a full service public sector investment bank.

Program Summaries

TAX-EXEMPT INDUSTRIAL DEVELOPMENT BOND PROGRAM

The Federal Tax Reform Act of 1986 greatly reduced the availability of private activity tax-exempt bonds and placed them under a statewide volume limit. The remaining tax-exempt IDB capacity is targeted to manufacturers undertaking capital expansion projects- land and equipment purchases and the acquisition, renovation, and construction of buildings. Congress is now considering legislation to extend by two years the original December, 1989 sunset date for the program.

The Federal Tax Act also removed the incentives for commercial banks to purchase IDBs. Today, bonds are sold either in the public market or through private placements with institutional investors. Often, a rated letter of credit from the borrower's bank or another credit enhancement source is necessary to attract investors. In general, projects range from approximately $1 million, for a bond financing to be economical, to a federally imposed maximum of $10 million. Borrowers can finance up to 2% of the issuance costs through bond proceeds.

Recent state legislation gave MIFA the authority to issue tax-exempt bonds for capital projects on behalf of Massachusetts' cities and towns. MIFA also issues tax-exempt bonds for research and development projects, and for environmental projects, including recycling plants and sewage, solid waste and hazardous waste facilities. These enterprises are not subject to the $10 million maximum.

NON-PROFIT INSTITUTIONS/TAX-EXEMPT BOND PROGRAM

MIFA issues tax-exempt bonds on behalf of 501(c)(3) non-profit institutions that provide euational and cultural services. In addition to financing capital expansion projects, proceeds from tax-exempt bonds for non-profits can be used to refinance conventional asset-based debt. They are not subject to the statewide volume cap on tax-exempt issues.

The bonds of non-profit institutions are attractive to both borrowers and investors. For borrowers, MIFA requires only the security trms, collateral, financial covenants or debt service reserve funds dictated by investors, rating agencies or credit enhancers to assure the successful sale of the bonds. For investors, not only are non-profit bonds exempt from state and federal income taxes, they also are not subject to the Alternative Minimum Tax.

MIFA has developed several specific programs to lower interest rates and to streamline the issuance of bonds for non-profits. Among these are a triple-A-rated $70million letter of credit from British-based National Westminster Bank PLC to back non-profit institutions, and a $25 million direct placement program with the Student Loan Marketing Association (Sallie Maw) for two- and four-year colleges and universities.

HUMAN SERVICE PROVIDER LEASE PROGRAM

This program provides 100% financing to non-profit organizations that contract with the state to provide services for the physically and mentally challenged, the homeless, the elderly, welfare recipients, and other citizens in needs. Under the program, MassCare Capital- a wholly-owned non-profit affiliate of MIFA- purchases properties with long-term, fixed rate, tax-exempt bonds. Proceeds can be used to purchase, construct, renovate or refinance properties. Providers are "pooled" together to create enough size to attract investors. MassCare leases the properties back to the providers at a fixed rate until the bonds mature (usually 20 years) at which time the providers may purchase the properties from MassCare for a nominal amount.

TAXABLE INDUSTRIAL BOND PROGRAM

Taxable financing is an attractive and flexible alternatie for numerous borrowers. Long used as a financing tool by larger corporate entities, taxable programs are gaining recognition nationally as economic development finance alternatives.

MIFA structures taxable financings for small business borrowers no longer eligible for tax-exempt funding, as well as for a wide array of industrial, commercial, and economic development projects. Proceeds can be used for acquisition, construction, or renovation of buildings, for purchase of land and equipment, for refinancing existing asset-based debt and, in some cases, for working capital. Taxable bonds can also be used in conjunction with tax-exempt bonds to finance costs that exceed the cap on tax-exempt capital expenditures or to finance issuance costs.

Taxable bonds offer borrowers substantial flexibility in rates and terms. There are no limits on bond amounts; taxable bonds are not subject to complex IRA restrictions; and in some instances taxable bonds are exempt from state taxes for Massachusetts Investors. Because of these factors, taxable financings can be structured and issued more easily and more quickly than tax-exempt financings. Like tax-exempt bonds, taxable bonds can be either fixed or variable rate, and sold either in public markets or through institutional investors. Recently, for example, MIFA was selected by the MBTA Retirement Fund as an asset manager; the Retirement Fund will directly purchase $20 million in taxable bonds to finance small business expansion projects.

COMMERCIAL PAPER PROGRAM

Commercial paper is a simple form of short-term debt issued by a corporation or other entity- in this case by MIFA. The commercial paper market is extremely deept with over $420 billion of commercial paper currently outstanding nationwide. Commercial paper interest rates are among the lowest available in the taxable markets. MIFA's Commercial Paper Program gives small businesses access to low interest, short-term interim financing for hard asset capital expansion projects. The program is targeted to companies that need to act quickly to purchase real estate and equipment or to begin construction.

Under MIFA's program, companies may borrow up to 90% of the appraised value of real estate and 80% of the cost of equipment. At each maturity- which typically ranges from 15 to 270 days- the borrowers can retire, reissue, or increase the amount of commercial paper outstanding. Borrowers have two years to draw down their funds. During that time, MIFA works with them to arrange permanent take-out financing.

MIFA's commercial paper is guaranteed by the West German-based Bayerische Vereinsbank AG. Because of the bank's triple-A-rating, MIFA's commercial peper for small companies trades like Fortune 500 commercial paper. It is sold and remarketed by BT Securities Corporation- the largest commercial paper placement agency among commercial banks.

CURRENT REFUNDING PROGRAM

Refunding enables previous manufacturing and commercial tax-exempt IDB recipients to refinance their bonds through new tax-exempt issues. Many choose this route to get out from under interest rate raising "gross-up" clauses, which were triggered by lower corporate tax rates in the 1986 federal tax code. By refunding, companies can restructure debt to take advantage of changing markets and to modify restrictive covenants.

SEAFOOD LOAN FUND

This revolving fund was created to enhance the competitiveness of Massachusetts' $1 billion seafood industry, which employs more than 12,000 people. Capitalized out of MIFA's own reserves at $1.5 million, the fund provides low cost, fixed rate financing for companies involved in seafood processing. The four targeted areas are: (1) improved product quality, (2) utilization of fish by-product, (3) surimi production, and (4) improved distribution and marketing. Direct loans of up to $200,000 are available to finance capital expansion or equipment purchases, excluding vessels. Rates are typically half-a-point above the prevailing five-year Treasury note.

CHILD CARE FACILITIES LOAN FUND

MIFA created the Child Care Facilities Loan Fund- the largest in the nation- to address the need for on-site child care for businesses and non-profit institutions. This revolving direct loan is capitalized out of MIFA's own reserves, and provides loans of up to $250,000 for construction, renovation, expansion, and equipment purchases for on-site child care facilities. Corporate sponsorship, in the form of an equity contribution and a commitment for 50% of the alloted spaces, is required. Rates are typically half-a-point above the prevailing five-year Treasurty note. In October, 1988, MIFA's Board of Directors doubled the size of the revolving fund to $1.5 million.

THRIFT FUND

MIFA is one of five quasi-public authorities designated to originate, service, and monitor direct loans from the Thirft Fund, a $100 million pool of capital designed to serve businesses that cannot finance conventional financing. MIFA originates all Thrift Fund loan requests over $250,000 for plant expansions and equipment purchases. Priority is given to projects that create a significant number of new jobs in areas of high unemployment.

MASSACHUSETTS EXPORT PARTNERSHIP

In conjunction with the Export-Import Bank of the United States and the Massachusetts Office of International Trade and Investment, this program helps companies obtain the funds they need to pursue export activities. It provides a 90% guarantee from Ex-imbank on the repayment of working capital loans in the event of default by exporters. Loans may be used to purchase materials, products, services, and labor for production of goods and services for current or future export sales. Loans can also be used for marketing, trade show participation, and other promotional acitivities. The term of the loans is usually up to one year, and may be extended on a case-by-case basis.

MORTGAGE INSURANCE PROGRAM

This program aids companies whose need for hard asset expansion capital exceeds their credit limit. With MIFA insuring a portion of a loan, businesses can borrow more of a project's costs; lenders can increase loan amounts without increasing their net exposure. MIFA insures conventional loans, as well as bond financings. Insured amounts range from 10% to 40% of the loan, with a ceiling of $500,000 for real estate and $250,000 for equipment.

WHO APPLIES

Requirements for MIFA's financing alternatives vary; therefore, companies and on-profit institutions contemplating MIFA financing are urged to contact a MIFA representative directly to determine eligibility before committing to a project.

CONTACT

Joseph D. Blair, Deputy Director
Massachusetts Industrial Finance Agency
400 Atlantic Avenue
Boston, MA 02210
(617) 451--2477

MASSACHUSETTS PRODUCT DEVELOPMENT CORPORATION

STATE - MPDC

The MPDC is a quasi-public corporation designed to preserve and create employment in the industrial sector by stimulating new product and new process development among mature industries. It has $465,000 in capital funds for fiscal year 1990.

MPDC provides financial support in the form of an investment in exchange for royalties in the product. If the product does not succeed, the company is not saddled with debt. If the product is a success, the MPDC shares in that success through its royalty income. While the MPDC is not permitted to finance research and development, its mandate includes the provision of technical assistance where needed.

WHO APPLIES:

Any Company who:

1. Has a prototype or clearly defined and developed product concept.
2. Shows that reasonable funding is not available through private financial channels.
3. Plans to produce the product in Massachusetts and can demonstrate that employment will be created or maintained by its production.
4. Agrees, as a condition of financial aid, to sign the voluntary social compact.
5. Presents a business plan with a reasonable chance of commercial success.

Contact:

Samuel Leiken, President
Massachusetts Product Development Corporation
55 Union St., 2nd floor
Boston, MA 02108
(617) 727-1133

MASSACHUSETTS TECHNOLOGY DEVELOPMENT CORPORATION

STATE-MTDC

The Massachusetts Technology Development Corporation (MTDC) is a publicly-funded but independently operated venture capital organization. The purpose of MTDC is to provide working capital to new and expanding high technology companies which have the capacity to generate significant employment growth in Massachusetts as well as other public benefits.

MTDC makes both debt and equity investments, usually in the form of a direct purchase of common or preferred stock accompanied by a loan on very favorable terms. All MTDC investments are made as part of a joint venture with conventional private sector investors. MTDC assists companies to locate compatible private sector investors for such joint ventures.

MTDC will invest a minimum of $100,000 and a maximum of $300,000 in a first-round institutional financing. Generally, the private sector investors who are MTDC's partners will invest two to four times the amount of capital which MTDC provides.

MTDC also assists companies through its Financial Packaging Program and its Management Assistance Program. These programs provide "investment packaging" assistance by helping companies locate appropriate private sector financing, without any investment of MTDC capital.

Who Applies:

Any business can apply by submitting a business plan with a brief cover letter indicating how much capital the company would like MTDC to invest.

Contact:

John Hodgman, President
MTDC
84 State Street
Suite 500
Boston, MA 02109
(617) 723-4920

1% INVESTMENT TAX CREDIT

STATE

There is a 1% credit against state excise tax liability on the cost or other federal basis of depreciable real and tangible property purchased during the year it is used and situated in Massachusetts. Also covered is tangible property rented or leased from local and regional business development corporations. In computing the credit, the cost of the property must be reduced by the amount of any federal credit taken. Unused portions of the tax credit may be carried forward up to 3 years, or indefinitely.

Manufacturing companies, agricultural and commercial fishing enterprises and those corporations primarily engaged in research and development are eligible. Both foreign and domestic corporations doing business in Massachusetts may benefit. Each business must apply to the Revenue Department for the 1% investment credit.

Total credits taken by a corporation in a given year cannot exceed 50% of excise liability. Credits not allowed because of this limitation may be carried forward indefinitely. Also, there is a statutory minimum excise tax of $456.00.

WHO APPLIES:

Corporations engaged in manufacturing, research and development, commercial fishing or agricultural enterprise.

CONTACT:

Massachusetts Department of Revenue
Taxpayers Assistance Bureau
Corporate Excise Tax
100 Cambridge Street
Boston, MA 02202
(617) 727-4271

SMALL BUSINESS ADMINISTRATION

FEDERAL-SBA

The federal Small Business Administration (SBA) administers various programs which provide financial and management assistance to small businesses. The agency's most active programs include the following:

Small Business Loan Guarantee Program (Section 7A): Small manufacturers, wholesalers, service enterprises, farmers, and other businesses can receive an SBA guarantee for up to 90% ($750,000 maximum) of a loan made by a private lender. (Under very limited circumstances, a direct loan of up to $150,000 can be arranged.) Eligible businesses are those which are independently owned and operated, not dominant in their field of business, and fall within SBA size guidelines (these vary according to type of business activity).

Certified Development Company Loans (Section 504):

The SBA 504 Program is an alternative form of expansion financing. The primary objective of the 504 program is to achieve economic development through job creation and retention. Specifically, the program provides second mortgage financing at a fixed rate for small business concerns acquiring real property and/or equipment when such financing is not available from conventional sources. The SBA portion of the project financing is limited to $750,000. The loan proceeds may be applied to:

Fixed Assets:

- purchase of land and/or buildings
- machinery and equipment
- construction
- renovations/leasehold improvements
- related costs (legal, architectural, etc.)

The financing package is a combination of two loans involving Massachusetts Certified Development Corporation and a participating bank. The typical structure of the financing, while somewhat flexible, is usually broken down as follows:

50%--Participating bank (of applicant's choice) at bank term and bank rate. (MBDC may be used as the primary lender in participation with the applicant's bank.)

40%--MCDC debenture, guaranteed by SBA, based on Treasury Bond rates.

10%--Equity injection by applicant.

Eligible businesses, under the Small Business Administration's small business classification, for 504 loans only, are defined as for-profit companies generating active (not investment) income whose total net worth is less than $6 million. The average net profit of those companies, after taxes, must be less than $2 million per year for the last 2 years.

Small Business Investment Companies (SBICs) and Section 301 (d)Small Business Investment Companies (301 (d)s)

SBICs and 301 (d) SBIC's are capital corporations formed to encourage private sector investment in small businesses. 301 (d) SBICs focus on financing socially or economically disadvantaged firms. Equity funds, long-term loans, and management assistance are provided for start-ups, expansions or acquisitions, particularly to innovative ventures

developing new products or markets. Regular and 301 (d) SBICs must be chartered as corporations or as limited partnerships with a corporate general partner. Both must have adequate capital (at least $1,000,000) to provide reasonable assurance that they can be operated actively and profitably.

CONTACT:

Small Business Administration
Boston District Office
10 Causeway Street
2nd Floor Room 265
Boston, MA 02222-1093

Richard F. Tomeo, Deputy Director
(617) 223-3204
Marie Record, Chief of Finance (SBA 504)
(617) 565-5581

or

John Edson, (SBIC - 301 (d) SBIC)
Small Business Administration
Room 808
1441 Lth Street N.W.
Washington, D.C. 20416
(202) 653-2806

TAX INCENTIVES FOR REHABILITATION OF OLDER STRUCTURES

MASSACHUSETTS HISTORICAL COMMISSION - STATE

Tax incentives for rehabilitation of historic and other old buildings were enhanced by the Economic Recovery Tax Act of 1981 (ERTA); and were recently changed by the Tax Reform Act of 1986.

If a structure is a "certified historic structure", the rehabilitation investment tax credit, normally a 10% investment tax credit (ITC), is increased to 20% of the expenditures on the structure. Because of the dollar for dollar savings in Federal income tax due, the ITC is a potent incentive and shelter for owners and developers with sufficient tax liability.

The three-tier investment tax credit in the 1981 Tax Act has been replaced by a two-tier credit:-

Tier #1 is a 20% rehabilitation investment tax credit (RITC) for certified rehabilitation of certified historic structures.

Tier #2 is a 10% credit for rehabilitation of non-historic buildings constructed before 1936

The 10% credit is limited to rehabilitation expenditures on buildings to be used for non-residential purposes, but the 20% RITC is available for both residential and non-residential buildings.

The RIC and CRIC are available only if the taxpayer elects to use the straight-line method of cost recovery with respect to rehabilitation expenditures. The depreciable basis of qualified expenditures must be reduced by 100% of the RITC.

There are no procedures for obtaining predeterminations or approvals from IRS as to the meeting of requirements. If the requirements have been met the plans are executed as proposed. Taxpayers must accordingly be careful to establish compliance with requirements prior to starting rehabilitation.
The RITC and 10% credit are only available in respect to a building that has been "substantially rehabilitated". A building is considered "substantially rehabilitated" when "qualified rehabilitation expenditures during a 24-month period (or 60-month period for a pre-approved phased rehabilitation) must exceed the greater of the adjusted basis of the building or $5,000. The adjusted basis will generally be equal to its cost of acquisition (but not the land) plus improvements less any permitted depreciation or cost recovery.

If a lessee is to qualify for RIC or CRIC the term of the lease would have to be at least 27.5 or 31.5 years, (as applicable) from the completion of the rehabilitation.

Under the Tax Reform Act, rental real estate is concidered a "passive" income, regardless of the taxpayer's material participation. For further information on changes in Passive Losses and Credits", contact the Massachusetts Historical Commission.

"Soft costs" include items like appraisal fees, architectural fees, title and mortgage insurance fees, legal fees, development fees and investment advisory fees. When these fees are incurred in connection with acquisition or development of the real property, they are properly added to the cost basis of the property.

A certified historic structure includes "any building listed in the National Register of Historic Places", or "is located in a registered historic district and contribute to the significance of such district". National Park Service regulations, 26 CFR Part 67, provide standards for certified rehabilitation, and there is a procedure to obtain a preliminary certification based upon both a State Historic Preservation Officer (SHPO) and National Park Service's review of the rehabilitation plans and specifications.

Obtaining preliminary approval will facilitate the sale of interests in the project to investors and will expedite final certification of rehabilitation upon its completion.

The National Park Service must issue a final certification of the rehabilitation for the RITC to be allowed.

The RITC and 10% credit are intended to revitalize urban areas by functioning as incentives to private investment in such areas. The owner, developer, and investor should continuously evaluate all necessary requirements before commencing rehabilitation.

WHO APPLIES:

The owner, often with the assistance of a preservation consultant, applies for certification for the historic rehabilitation tax credit. This application must be submitted in duplicate to The Massachusetts Historical Commission, which reviews it and forwards it with comments to The National Parks Service, a division of Interior.

CONTACT:

Valerie Talmage, Director
Massachusetts Historical Commission
80 Boylston Street, Boston, MA 02116
(617) 727-8470

THE THRIFT FUND

Thrift Institutions Fund for Economic Development

State

BACKGROUND

The Thrift Institutions Fund for Economic Development (Thrift Fund) currently administers two lending programs: The Direct Loan Program and the Participation Loan Program providing financing to a diverse range of projects. Areas targeted for support by the Fund are:

- the development of small business;
- the support of mature industries
- the creation of affordable and/or innovative housing;
- commercial development located in older urban centers.

The Thrift Fund was established as part of Chapter 485 of thr Acts of 1984. In return for tax parity with commercial banks, the more than 260 thrift institutions (svings banks, cooperative banks, and savings and loans associations)throughout the Commonwealth contribute to a centrally administrated $100 million lending pool which assists economic development projects throughout Massachusetts. The Thrift Fund's paramount objective is the creation and retention of jobs in the Commonwealth.

The fund has thus far approved over $55 million in loans for 80 projects. These loans have leveraged additional multi-million dollar investments and will create or retain over 8,100 jobs statewide. Loans to projects in mature industries account for 55% of the total, the rest has been invested primarily in small businesses, housing and commercial projects.

TYPES OF ASSISTANCE

The Direct Loan Program - (DLP) was designed to meet the overall mandate of the Fund - to create and retain jobs in the Commonwealth through the support of economic development projects. The DLP currently operates with origination and servicing functions provided under interagency agreement by: the Community Development Finance Corporation (CDFC), Th Massachusetts Government Land Bank (LAND BANK), the MAssachusetts Business Development Corporation (Mass Business), the Massachusetts Product Development Corporation (MPDC) and the Massachusetts Industrial Finance Agency (MIFA).

The Participation Loan Program (PLP) provides joint lending arrangements with individual Massachusetts thrift institutions for secured loans to eligible borrowers for purposes consistent with the Thrify Fund's general goals. The program is specifically designed for cases where a sponsoring bank is willing, but unable to meet the full financing needs of a borrower because of the amount of the request, due to in-house loan limits, or because of certain credit considerations.The PLp aims to attract smaller banks to venture into less traditional types of lending.

The size of the Fund's loans has ranged from $32,000 to $3.5 million, with an average of approximately $500,000. There is no established minimum or maximum.

TERMS OF ASSISTANCE

Depending upon specific needs, loans may be made on terms of 1-25 years at either fixed or adjustable rates. Loans through the PLP will cover no more that 50% of total project financing. Thre is no required match for the Direct Loan Program.

ELIGIBILITY

The Thrift Fund's loans may be made to for-profit as well as not-fot-profit entities with projects which meet the general objectives of the Fund and address the targeted areas for support.

Priority is given to: job intensive projects in areas of higher than average unemployment, support to mature industries, assistance for small businesses, development of afforsable housing and commercial sites in older urban cores.

The Thirft Fund does not provide loans for venture or risk capital.

APPLICATION PROCEDURES

Inquiries may be made for the DLP directly to the Thrift Fund or to: CDFC, LAND BANK, MASS BUSINESS, MPDC or MIFA. Inquiries may be made for the PLP directly to the Thrift Fund or through a Massachusetts Thrift Institution.

Submissions for either program generally include as a minimum; Thrift Fund summary application, business plan, finncial statements, projections, appraisals, credit analysis and a recommendation from the sponsoring thrift institution or quasi public agency.

AVAILABLE PUBLICATIONS

Annual Reports

Brochures: Participation Loan Program

Examples of Projects Financed

Fact Sheet

Newsletter: THRIFT FUNDING

WHO TO CONTACT:

Paul H. Rupp, Executive Director
or
Michael Wilson, Program Manager
The Thrift Fund
50 Congress Street
Boston, MA 02109
(617) 227-0404

TRADE ADJUSTMENT ASSISTANCE FOR FIRMS

FEDERAL-ITA

The New England Trade Adjustment Assistance Center, Inc., (NETAAC) helps Massachusetts manufacturers who are hurt by import competition by providing them with consulting services at reduced costs. Under this program, which is administered by the U.S. Department of Commerce, the federal government will pay up to 75% of the cost of projecys including: market studies, product diversification, sales organization development or improvement, creative services for promotional literature, industrial engineering, plant layout and workflow improvements, development of just-in-time systems, worker incentive systems, energy surveys; development of cost systems, loan preparation assistance; MIS software development and general stategic planning.

WHO APPLIES:

Eligible firms include manufacturers who, in the preceding two years, have suffered a decline in sales or production and a decline, or impending decline, in employment as a result of increasing import competition. There is no charge to determine eligibility and METAAC assists firms with the application.

CONTACT:

Richard McLaughlin, Executive Director
New England Trade Adjustment Assistance Center
120 Boylston Street
Boston, MA 02116
(617) 542-2395

(continued)

It should be noted that there is a parallel program to provide special income protection to workers who lose their jobs or whose hours of work are reduced as a result of increased foreign imports. This program is administered by the Department of Labor. Once the job type and individual are designated as eligible, weekly compensation in addition to the state's unemployment insurance payment is paid. Seventy percent of the worker's previous wage, or the national average weekly manufacturing wage, whichever is greater, will be paid for up to 52 weeks. Counselling and some financial assistance for retraining, job search, and relocation are also available under certain circumstances. For more information on this program (for workers), contact your local Massachusetts Division of Employment Security Office.

FARM ASSISTANCE PROGRAMS

The following programs are designed to assist farmers in rural areas. This assistance is in the form of loans for a variety of purposes: emergency disaster, operating, farm ownership, youth loans, soil, water and loan guarantees.

Although the eligibility and purpose of each program varies, the essence of these programs is to assist in the maintenance and growth of the family farm in rural America.

FARMERS HOME ADMINISTRATION

U.S. Department of Agriculture

EMERGENCY DISASTER LOANS
Federal - FmHA

The Farmers Home Administration (FmHA) can make emergency (EM) loans in counties where physical property damage or severe production losses occur as a result of a natural disaster that substantially affects farming, or aquaculture operations. EM loans will be made available to applicants having qualifying physical and/or production losses in a county named by FEMA as eligible for Federal assistance under a major disaster or emergency declaration by the President or under a natural disaster determination by the Secretary of Agriculture and to applicants having qualifying severe physical property losses when, prior to action by the President or the Secretary, the FmHA Administrator has determined that such losses have occurred as a result of a natural disaster. Farmers, ranchers or aquaculture operators in counties adjacent to such named counties may also apply for EM loans.

A natural disaster determination by the Secretary of Agriculture is initiated by a formal written request by a Governor or Indian Tribal Council. However, no such request is needed to initiate the action of the FmHA Administrator.

WHO CAN GET A LOAN?

To qualify for an EM loan an applicant must:

1. Be an established farm operator (owner or tenant), who was operating and managing a farm at the time of the disaster in a county which was named as eligible for EM loans. An applicant can be farming as an individual, cooperative, corporation, partnership, or joint operation.

2. Be a citizen of the United States or a legal resident alien. If an application is a cooperative, corporation or partnership, or joint operation, more than 50 percent interest in the entity must be owned by U.S. citizens or a legal resident aliens, and the entity must be primarily engaged in farming.

3. Have the industry, ability, training or experience necessary to repay the loan, and show ability to repay it.

4. Provide evidence of having suffered a qualifying physical loss, or a production loss of at least 30 percent of combinations of similar type crops. Except, applicants are precluded from receiving loans based on crop production losses that could have been insured by comprehensive crop insurance programs sponsored by the Federal Crop Insurance Corporation.

5. Be unable to obtain suitable credit from a source other than FmHA.

6. Provide adequate security.

All applications will be considered without regard to age, race, color, creed, sex, marital status, handicap or national origin.

What Security is Required: Collateral for EM loans must be of such a nature that repayment of the loan is reasonably assured. Consideration will be given to the applicant's managerial ability, soundness of operation, and projectedearnings. The collateral will consist of the best lien obtainable on all assets owned by an applicant who is an individual. In the case of an entity applicant, the best lien will be taken on all assetsowned by the entity, and all assets owned by each individual having an ownership interset in the entity. If the usual collateral is not available as a result of the disaster, exceptions to the security requirments may be made, provided certain other conditions can be met. In such cases, the borrower's repayment ability may also be considered.

Whenever any FmHA Em loan is secured by crops, comprehensive crop insurance is required for at least the minimum level of coverage for any crops eligible for programs sponsored by the Federal Crop Insurance Corporation. If crop insurance was available, but not in force at the time of the disaster, FmHA will not take favorable action on applications from such applicants.

Is There A Termination Date For Filing?: Yes. Applicants for EM loans must be filed within 8 months of the date of the disaster decision by the President, Secretary, or Administrator.

Where Are Applications For Loans Received?: Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government , U.S. Department of Agriculture. Application information may also be by writing the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquaters is located.

UNITED STATES DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM LOAN GUARANTEES
FEDERAL - FmHA

The Farmers Home Administration (FmHA) may guarantee loans made by eligible agricultural lenders to family farmers for farm land purchase, real estate improvements, refinancing debts, purchase of livestock and/or equipment, and operating purposes.

Guaranteed loans are made and serviced by legally organized private lending institutions such as commercial banks, Farm Credit, Agricultural Credit Associations, (Farm Credit Service), insurance companies, and savings and loan associations. The Commonweal of Massachusetts Thrift Fund has been designated as an eligible lender fpr FmHA guarantee program. FmHA provides the lender with a guarantee not to exceed 90 percent of any loss of principal and interest on a loan. The use of an FmHA guarantee may enable a private lender to serve, or continue to serve, a farmer who cannot be served on a wholly conventional basis due to risk factors.

All applications for FmHA guaranteed loans are treated with equal consideration, without regard to sex, age, race, color, religion, handicap or national origin or marital status.

WHO CAN BORROW?

Individuals, partnerships, joint operators, legal resident aliens, corporations and cooperatives that do, or will, conduct family-size farming operations. A "family farm" is considered to be one that a family can operate and manage itself. More than 50-percent interest in the corporations, joint operations, partnerships and cooperatives must be owned by U.S. citizens or legal resident aliens, and the entity must be managed by a U.S. citizen or legal resident alien.

HOW CAN LOANS BE USED?

FARM OWNERSHIP LOANS

To buy, improve or enlarge farms. Uses may include construction, improvement or repair of farm homes and service buildings; improvement of on-farm water supplies; installation to pollution control or energy conservation measures; refinancing debts; clearing or improving farmland; establishing or improving forests; providing for production of fish under controlled conditions; establishing non-agricultural enterprises that help farmers supplement their farm income.

OPERATING LOANS

To pay for items needed for farm operations, including livestock, poultry, farm and home equipment, feed, seed, fertilizer, fuel, chemicals, hail and other crop insurance, family living expenses, minor building improvements, water system development, hired labor, pollution abatement and methods of operation to comply with Occupations Safety and Health Act.

SOIL AND WATER

To develop, conserve or make proper use of land and water resources, including development of wells and other sources of water, irrigation systems, drainage improvements, and improvements associated with forestry, fish farming, land protection or pollution control.

WHAT ARE THE INTEREST RATES AND TERMS?

The interest rate on a guaranteed loan is negotiated between lender and borrower. It cannot exceed the rate given the lender's average farmer customers.

Terms for repayment vary according to loan purpose and nature of security. Farm ownership and other real estate loans may run for up to 40 years. Chattel loans for operating purposes or lines of credit may range from 1 to 7 years, and in some cases for 15 additional years.

WHAT ARE THE LOAN LIMITS?

Real estate loans (farm ownership, soil and water) -- $300,000. Production (chattel) loans and operating line of credit --$400,000.

IS THIS A LENDER'S OR AN FmHA LOAN?

This is the lender's loan. The loan is made and serviced to conclusion by the lender. If everything works well and the borrower is able to repay the loan, no taxpayer's money will be used except for administrative expenses. If a loan fails, FmHA will reimburse the lender with Federal funds under terms and conditions specified in the guarantee.

WHAT ARE THE TYPES OF GUARANTEES?

There are two types of guarantee commitments, the Loan Note Guarantee and the Contract of Guarantee. The Loan Note Guarantee is the signed commitment issued by FmHA setting forth the terms and conditions of the guarantee of a fixed loan amount. The Loan Note Guarantee may be used as the instrument of guarantee in all loan programs and is readily marketable by the lender in the secondary market. The Contract of Guarantee (line of credit) is used for specific operating loan (OL) purposes only, and may not be sold in the secondary market. Holders (investors) of "Loan Note Guarantees" are protected by the full faith and credit of the United States Government.

WHAT ABOUT MARKETING FIXED AMOUNT LOANS?

For the guaranteed portion, the lender has the following three options:

1. ASSIGNMENT OPTION: The lender may assign, using the FmHA assignment agreement, all or part of the guaranteed portion of the loan to one or more holders. If the assignment and option is used, the holder is protected by the full faith and credit of the United States Government on the guaranteed portion of the loan.

2. MULTI-NOTE SYSTEM: When this option is selected by the lender, upon disposition the holder will receive one of the borrower's executed notes and a Loan Note Guarantee attached to the borrower's note. If the multi-note system is used, the holder is protected by the full faith and credit of the United States Government on the guaranteed portion of the loan.

3. PARTICIPATION OPTION: The lender may sell participations in the guaranteed portion of the loan in accordance with its regular procedures, but must retain the unguaranteed portion of the loan.

WHAT HAPPENS AFTER A LENDER SELLS, PARTICIPATES, OR ASSIGNS PART OR ALL OF A LOAN?

The lender contracts with FmHA (by executing a lender's agreement) to collect principal and interest payments and service the loan. Servicing includes keeping in touch with the borrower in order to be aware of any potential problems such as late payment, etc., and meeting with the borrower if a problem does occur.

The local lender is responsible for distribution of principal and interest payments to holder(s), assignee(s) or participant(s), as appropriate. The local lender may deduct a servicing fee agreed upon in advance between the lender and the holder(s).

DELINQUENCY AND DEFAULT

The lender must notify FmHA when a borrower is 30 days overdue on a payment and is unlikely to bring the account current within 60 days, or if a loan otherwise is a problem.

The lender is encouraged to work with the borrower to resolve any problems. In case of default, any holder(s) will be paid in full. The holder(s) must first request payment from the lender. If the lender does not make payment in full, FmHA will. If the loan cannot be reconstituted, the lender will ordinarily be responsible for liquidating the account in a manner agreed upon by FmHA.

CAN AN APPLICANT OBTAIN MORE THAN ONE GUARANTEED LOAN?

More than one loan guarantee can be executed with the same or different lenders for an applicant provided each loan is secured with separate identifiable collateral and limited to a combined total of $400,000 for an operating loan and $300,000 for a farm ownership or soil and water loan. The amount of loans guaranteed for an individual who also is a principal partner in a partnership, stockholder in a corporation, or member of a joint partnership, corporation, joint operation or cooperative can receive to the difference between the amount received by the individual and the maximum amount. Applicants who are principal members of a partnership, corporation, joint operation or cooperative which has received a guaranteed loan, will be limited to the difference between the amount received by the entity and the maximum amount.

CONTACT:

Information on procedures by which loans are guaranteed may be obtained by lenders or prospective borrowers from FmHA county offices (usually located in county seats, listed in telephone directories under U.S. Government), or at the end of this section: Farm Assistance Programs. Farmers may apply directly to private lenders or make preliminary inquiry through FmHA county offices. Applications ultimately are received and processed by lender institutions subject to FmHA approval.

U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM OPERATING LOANS
Federal -FmHA

PURPOSE:

To meet operating expenses, including feed, seed, livestock, fertilizer, farm and home equipment, family living expenses, insurance, hired labor; to refinance unsecured creditoris and intermediate term debts; to finance recreational and nonagricultural enterprises to add to family income; to pay for mandated safety and pollution control changes.

WHAT ARE THE TERMS?

Interest rates for insured loans vary according to cost of money to the Government. A reduced rate is available to limited-resource borrowers. Interest rates for guaranteed loans are negotiated between the borrower and the lender.

Repayment is scheduled according to the borrower's ability to repay, and the purpose for which the loan is made. Funds advanced for other purposes may be repaid in from 1 to 7 years. In some cases, an additional seven years may be permitted.

The limit is $200,000 for an insured farm operating loan, $400,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

FARM OWNERSHIP LOANS
Federal - FmHA

PURPOSE:

To buy farmlandand associated real estate improvements; refinance debts; construct, repair or improve buildings; improve farmland; develop water facilities; and establish farm-based business enterprises to supplement farming income.

WHAT ARE THE TERMS?

Interest rates for insured loans vary according to the cost of money to the Government. Reduced rates are available to limited resource borrowers. Interest rates for guaranteed loans are negotiated between the borrower and the lender. The maximum repayment term is 40 years.

Each loan must be adequately secured by real estate, but the FmHA may lend up to 100 percent of the value of the secure property. There is no arbitrary "down payment" requirement.

Borrowers who receive insured loans from FmHA are required to "graduate" to regular private credit sources as soon as they are able.

The dollar ceiling is $200,000 for an insured loan, $300,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

U. S. DEPARTMENT OF AGRICULTURE

FARMERS HOME ADMINISTRATION

SOIL AND WATER LOANS
Federal-FmHA

PURPOSE:

To help individual farmers develop, conserve and properly use their land and water resources, and abate pollution.

Funds may be used to drill wells and otherwise improve water supply systems for irrigation, home use, and livestock; to buy irrigation equipment; to acquire a water supply; to install drainage or waste disposal facilities.

Soil improvement practices which may be financed under this program include fertilizing, seeding, sodding, land leveling, establishing permanent pastures and farm forests, installing erosion and pollution control measures.

TERMS:

Interest rates for insured loans vary according to the cost of money to the Government. Interest rates for guaranteed loans are negotiated between the borrower and the lender. The maximum repayment term is 40 years.

Each loan must be adequately secured by real estate, but FmHA may lend up to 100 percent of the value of the security property. There is no arbitrary "down payment" requirement.

Borrowers who receive insured loans from FmHA are required to "graduate" to regular private credit sources as soon as they are able.

The dollar ceiling is $200,000 for an insured loans, $300,000 for a guaranteed loan.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

U.S. DEPARTMENT OF AGRICULTURE
FARMERS HOME ADMINISTRATION
YOUTH PROJECT LOANS
Federal-FmHA

PURPOSE:

To enable young people between the ages of 10 and 20 years, who reside in a town or city with a population of not more than 10,000, to borrow on their own signature for income-producing projects.

Each project must be part of an organized and supervised program of work such as in school, 4-H club, or Future Farmers of America activity, and produce sufficient income to repay the loan.

These loans can finance nearly any kind of farm or nonfarm income-earning project including lawn and garden service, livestock and crop production, repair shops, catering services, crafts sales, roadside markets, and many others.

TERMS:

Interest rates are the same as for farm operating loans. The repayment schedule is worked out between the FmHA county supervisor and the applicant and is based on when the product is sold or the service paid for. The loan is secured by a promissory note signed by the applicant, any equipment, livestock and/or crops financed by the loan and occasionally a cosigner.

LIMITATION:

The loan limitation for a youth loan is $5,000.

CONTACT:

Applications are received at FmHA County Offices. These offices are listed in the telephone directory under U.S. Government, U.S. Department of Agriculture and at the end of this section: Farm Assistance Programs. Application information may also be obtained by writing to the Farmers Home Administration, Washington, DC 20250, giving your name and address and the name of the county in which the farming operation's headquarters is located.

FARMERS HOME ADMINISTRATION COUNTY OFFICES

CONTACT:

Everett C. Paluska, State Director or
Daniel Beaudette, Chief of Farmer Programs
State Office
USDA, Farmers Home Administration
451 West St.
Amherst, MA 01002
(413) 253-3471

MASSACHUSETTS - COUNTY OFFICES

DISTRICT I

Carrie L. Novak
County Supervisor
1 Haywood Place,
55 Lake Street
Gardner, MA 01440
(508) 632-1864

Randy I. Kleiner
County Supervisor
55 Federal Street
Greenfield, MA 01301
(413) 772-0197

Peter P. Laurenza
County Supervisor
4 Whalley St.
Hadley, MA 01035
(413) 584-7992

Robert E. Timinski
County Supervisor
688 Main St.
Holden, MA 01520
(508) 829-6626

Leonard J. Shuzdak, Jr.
County Supervisor
Federal Bldg.
78 Center St. (Arterial)
Pittsfield, MA 01201
(413) 443-9624

Linda J. Hawks
County Supervisor
176 Worcester -Providence Rd.
Route 146, Suite 201
Sutoon, MA 01590
(508) 865-0528

DISTRICT II

James W. Shaw
County Supervisor
4 Barlows Landing Rd.
Unit 18
Pocasset, MA 02559
(508) 564-6356

David M. Delisle
County Supervisor
501 Great Rd., Unit 106
North Smithfield, RI 02895
(401) 765-8685

David R. DeFreest
County Supervisor
40 Nagog Park, 3rd Floor
Acton, MA 01720
(508) 263-3750

Mailing Address
P.O. 1124
Littleton, MA 01460

Thomas S. McGarr
County Supervisor
21 Spring St.
Colonial Trust Bldg
Taunton, MA 02780
(508) 880-7561

Frank L. Bouchard
County Supervisor
Bradford Bldg.
7 Town Square
Plymouth, MA 02360
(508)747-4742

Ronald M. Koontz
County Supervisor
310 Barnstable Rd.
Hyannis, MA 026021
(508) 778-2229

Cecelia Harris
County Supervisor
South Kingstown Office Park
24 Salt Pond Rd., Suite C8A
Wakefield, RI 02879
(401) 783-3477

Charles W. Duboc
County Supervisor
48 Quaker Lane
West Warwick, RI 02893
(401) 826-0842

CONNECTICUT - COUNTY OFFICES

DISTRICT III

William W. Rainville
County Supervisor
P.O. Box 376, Rt. 205
Brooklyn, CT 06234
(203) 774-5344

Johan M. Strandson
County Supervisor
147 Providence St.
Putnam, CT 06260
(203) 928-6559

Christopher Higgins
County Supervisor
Agricultural Center
P. O. Box 127
Litchfield, CT 06423
(203)5673-9434

Ronald Clark
County Supervisor
One Church Sq. St.
P.O. Vox 66
Willimantic, CT 06226
(203) 456-1725

John L. Slate
County Supervisor
Offices of Smith Corona, Rte. 32
P. O. Box 7
North Franklin, CT 06254
(203) 642-4131

Gary B. Carabeau
County Supervisor
627 River St.
Windsor, CT 06095
(203) 688-7043

DISTRICT OFFICES

Brian Anderson - District I
District Director
Route 116, 267 Amherst Rd.
P. O. Box 455
Sunderland, MA 01375
(413) 665-2603

Kenneth L. Main -District III
Distict Director
P.O. Box 666
122 Valley St.
Willimantic, CT 06226
(203) 456-2269

Richard A. Lavoie - District II
District Director
U.S. Post Office Building
Room 173
27 Social St.
Woonsocket, RI 02895-3132
(401) 765-5500

COMMUNITY BASED ECONOMIC DEVELOPMENT RESOURCES

This section contains a brief description of the various programs that are available to assist local governments, neighborhood organizations and other community-based organizations, in planning for the development and implementation of projects. The type of assistance these programs provide is often critical in ensuring a project's success.

Although the eligible applicants and specific purpose of each of these programs may differ, they are all designed to increase the expertise and the capacity of the applicant to design a project plan which can be effectively implemented.

COASTAL FACILITIES IMPROVEMENT PROGRAM

STATE-CFIP

In late 1983, the Massachusetts State Legislature authorized an $18 million bond issue for the Coastal Facilities Improvement Program (CFIP) as part of the Coastal Protection Bill (Ch. 589 of the Acts of 1983). The Massachusetts Coastal Zone Management (MCZM) within the Executive Office of Environmental Affairs will administer and implement the CFIP. This brochure has been prepared to assist coastal communities by providing an overview of the basic goals, objectives and criteria for eligibility under the CFIP.

The CFIP is intended to provide financial assistance on a "reimbursable" basis to coastal cities and towns so that they can plan for, construct, reconstruct, maintain and improve their public coastal facilities. The Program will reimburse communities up to 50% of the total cost of a project on a dollar for dollar basis up to $1 million for a single project and not more than $1.5 million for more than one project. Communities with approved projects can make their dollar for dollar match in the form of in-kind services or with revenues from municipal bonds, bequests, gifts, contributions by the federal, state or municipal governments, or by individual corporations or associations. Project costs claimed as match shall be incurred after December 17, 1983, the date of enactment of Chapter 589 of the Acts of 1983. It is important to understand that once a project gets underway, reimbursement may not occur until the local municipality (grantee) has demonstrated that at least 50% of the approved project has been completed. The terms of reimbursement will be clearly stated in the final award contract between MCZM Office and the grantee.

The basic criteria for eligibility for this reimbursement improvement program include:

- the community must be a "coastal community" as defined in the MCZM Program Plan.
- the project site must be public (land or property must be owned and maintained by a municipality or by the Commonwealth) and it must be one of the following:
    - determined to be "substandard " by the Secretary of Environmental Affairs,
    - located within a Commercial Area Revitalization District "(CARD)",
    - located within a Spacial Assistance Development Area "(SADA)" as listed in the MCZM Program Plan,
    - located within a "Designed Port Area" as listed in the MCZM Plan.

TYPES OF COASTAL IMPROVEMENTS

Many types of improvement projects will be allowed under the Coastal Facilities Improvement Program. They include but are not limited to the construction or repair of the following: bulkheads, ripraps, piers, wharves, docks, floats, beaches or other structures used for fishing, marine industry or commerce, marine recreation, tourism or public access purposes. Other allowable facilities include public upland platforms, public buildings containing harbor related facilities for fish handling or storage, parking facilities and walkways necessary for access to a waterfront facility.

FILING OF APPLICATIONS

The regulations necessary to implement the CFIP were promulgated August 16, 1984 and applications for assistance became available on September 5, 1984.

WHO APPLIES:

Interested communities should contact the MCZM Office to discuss proposed projects prior to submitting applications.

CONTACT:

Joseph E. Pelczarski, CFIP Coordinator
Massachusetts Coast Zone Management Office
100 Cambridge Street- Room 2006
Boston, MA 02202
(617) 727-9530

COASTAL ZONE MANAGEMENT

COMMUNITY ASSISTANCE GRANTS
STATE-EOEA

The Massachusetts Coastal Zone Management (MCZM) Office provides technical and financial assistance to coastal communities. Technical assistance is available to address short-term coastal problems, such as drafting waterfront bylaws and planning for public access. Financial assistance is available for the construction, reconstruction, maintenance and repair of coastal facilities through the Coastal Facilities Improvement Program (CFIP)

WHO APPLIES:

MCZM will provide, upon request technical assistance to individuals, coastal communities and other state agencies.

CONTACT:

Steve Bliven
Massachusetts Coastal Zone Management Office
Room 2006
100 Cambridge Street
Boston, MA 02202
(617) 727-9530

CFIP assistance is available to all 78 coastal communities based upon application, project eligibility and funding availability.

CONTACT:

Joseph Pelczarski, CFIP Coordinator
Massachusetts Coastal Zone Management Office
Room 2006
100 Cambridge Street
Boston, MA 02202
(617) 727-9530

For general information regarding MCZM

CONTACT:

Larry McCavitt
Massachusetts Coastal Zone Management Office
Room 2006
100 Cambridge Street
Boston, MA 02202
(617) 727-9530

BOATYARD PRESERVATION RESTRICTION PROGAAM

Program Description:

Section 7 from Chapter 564 of the Acts of 1987 authorized the Secretary of the Executive Office of Environmental Affairs to spend two million dollars for the Boatyard Preservation Restriction Program. A boatyard is defined as land actively devoted to construction, repair, maintenance or storage of commercial or recreational vessels.

Title to Boatyard Preservation Restrictions purchased by the Director of the Office of Coastal Zone Management shall be held in the name of the Commonwealth but may be administered by the city or town subject to the approval of the Secretary.

Projects for this program shall be submitted by cities and towns and evaluated by the Boatyard Preservation Committee. In its evaluation the Committee shall consider at a minimum the following:

1. The suitability of the land as to the amount of waterfront property and other criteria for boatyard use.

2. The fair market value of such land and the fair market value of such land when it is used for boatyard purposes as determined by independent appraisals.

3. The degree to which the acquisition would serve to preserve the marine construction, repair, maintenance and storage potential of the Commonwealth. The Director of Coastal Zone Management may be deemed necessary to carry out the purposes of this section.

Filing of Applications:

Rules, regulations and the application are currently being developed.

Who applies:

Cities and towns in conjunction with the boatyard owner.

CONTACT:

Joseph E. Pelczarski
Massachusetts Coastal Zone Management Office
Room 2006
100 Cambridge Street
Boston, MA 02202
(617) 727-9530, Ext. 456

COMMERCIAL AREA REVITALIZATION DISTRICT

(CARD)

LOCAL-STATE-EOCD

Commercial enterprises in approved revitalization districts are eligible for important financial incentives - Taxable development bond financing, mortgage insurance, state tax credits (certain eligibility requirements) and other incentives that also may be made available . To be eligible for these programs, the commercial activity must be located in an approved Commercial Area Revitalization District (CARD), typically an older downtown area. CARD plans are developed and approved by the governing body of the community and submitted to the Executive Office of Communities and Development (EOCD) for review and final approval. To qualify, the area must be an older, established commercial area experiencing disinvestment. EOCD has published guidelines on how to prepare a CARD plan, and has staff available to assist cities and towns in the process.

Once the CARD plan has been approved, commercial enterprises in the approved area may apply for taxable bond financing from the Massachusetts Industrial Finance Agency (MIFA) and may also consider applying to state agencies that may administer needed programs that offer icentive program for projects located in a CARD area.

WHO APPLIES:

All communities in Massachusetts are now eligible to apply for a CARD plan designation for qualified areas of their city or town.

CONTACT:

John Young, CARD PROGRAM
Division of Municipal Development
Executive Office of Communities and Development
Room 1803
100 Cambridge Street
Boston, MA 02202
(617) 727-7180

COMMUNITY DEVELOPMENT ACTION GRANT

(CDAG)

LOCAL-STATE-EOCD

Under the Commonwealth's Community Development Action Grant (CDAG) Program, grants are made to cities and towns for public actions in support of private investments. This competitive program is designed to stimulate economic development activities that will attract and leverage private investment, create or retain long-term employment and/or housing opportunities, and revitalize distressed areas throughout the state. In so doing, the program supports only those private investments that would not occur, but for the receipt of CDAG funds.

To date, over 70 Massachusetts communities ranging from 1,000 in population to the state's capital, Boston, have received $74 million from the CDAG Program. Grant - funded activities have included the construction of roads and sidewalks; street lights and stop lights; parking lots and parks; and sewer and water lines.

WHO APPLIES:

All communities in Massachusetts are eligible to apply.

CONTACT:

CDAG Program Director
Division of Municipal Development
Executive office of Communities and Development
100 Cambridge Street
Boston, MA 02202
(617) 727-7180

COMMMUNITY DEVELOPMENT

BLOCK GRANT - ENTITLEMENT
FEDERAL-HUD

Established in 1975, this program distributes funds to all cities of 50,000 or more population and all SMSA central cities regardless of population with specific amounts based on a formula set by Congress. Activities eligible for funding are broadly defined, including construction of public facilities such as parks, streets, fire stations, and community centers, housing rehabilitation programs, social services and economic development programs. The activities must be related to a community development strategy and needs statement, and must principally benefit low and moderate income residents. The cities and towns listed below are currently receiving funds:

MASSACHUSETTS

Arlington	Fitchburg	Lynn	Salem
Attleboro	Framingham	Malden	Somerville
Boston	Gloucester	Medford	Springfield
Brockton	Haverhill	New Bedford	Waltham
Brookline	Holyoke	Newton	Westfield
Cambridge	Lawrence	Northampton	Weymouth
Chicopee	Leominster	Pittsfield	Worcester
Fall River	Lowell	Quincy	

WHO APPLIES?
Cities receive funds annually after submission of Community Development Strategy and Needs Statement.

Contact:

Your Local Community Development Department

or

Robert L. Paquin, Deputy Director
Office of Community Planning and Development Division
U.S. Department of HUD
10 Causeway Street, 3rd Floor
Boston, MA 02222
(617) 565-5345

MASSACHUSETTS SMALL CITIES PROGRAM

The Massachusetts Small Cities Program (MSPC is a federally funded program established in 1978 by Congress to make available to the Commonwealth's cities and towns the Community Development Block G4ant Program (CDBG). Funds are available to municipalities who have a population under 50,000 or who have not been designated as an "entitlement" community by the U. S. Department of Housing and Urban Development. The Massachusetts Executive Office of Cummunities and Development administers this progra for HUD.

The MSCP funds local projects which enable municipalities to understake a variety of community development activities. Examples of MSCP-funded projects include housing rehabilitation and related activities; commercial improvement's such as facade and interior renovations' business development assistance; public facility projects including infrastructure improvements, park renovations, and neighborhood facilities; and, a variety of social and public services. The principal benefit of these activities are for the low and moderate income citizens of the Commonwealth.

Most MSCP funds are available once a year through what is known as the General Fund Program. Funds are competitively awarded to municipalities to fund activities described above. Other MSCP resources are available throughout the year when a project is "ready" for review. This would include the Housing Development Support Program which directly supports project specific applications and the Economic Development Set-Aside Program which also is project specific.

CONTACT:

Toni Coyne Hall
Deputy Assistant Secretary for Community Development
Executive Office of Communities and Development
100 Cambridge Street, Room 1802
Boston, MA 02202
(617) 727-0494

COMMUNITY ECONOMIC DEVELOPMENT ASSISTANCE CORPORATION

STATE-CEDAC

The Community Economic Development Assistance Corporation (CEDAC) is a quasi-independent agency that offers technical assistance to community development corporations (CDC's) and other non-profit community-based organizations in economically depressed areas of the state. It offers professional services and front money loans to these eligible organizations to package real estate projects that will benefit area residents.

CEDAC's nine member Board of Directors must approve each project. Selection is based on: (1) the degree to which the proposed project will benefit the area; (2) degree to which a project will be locally controlled and/or owned; (3) the project's scale and impact; (4) the overall viability of the project; and (5) the project's strategic importance to redevelopment of the target area CEDAC's assistance is provided by its staff of our professionals or by consultants.

WHO APPLIES:

Community development corporations (CDC's) and other community based organizations in economically distressed areas of the state.

CONTACT:

Carl Sussman, Executive Director
Community Economic Development Assistance Corporation
Suite 200
19 Temple Place
Boston, MA 02111
(617) 727-0506

COMMUNITY FACILITY LOANS

Farmers Home Administration
FEDERAL-FmHA

FmHA is authorized to make loans to develop essential community facilities for public use in rural areas and towns of not more than 20,000 people. These loans can be made to public entities and non-profit corporations who show adequate repayment ability. Funds may be used but are not limited to the following items: to construct, enlarge or improve fire stations, libraries, hospitals, clinics, community buildings, industrial parks and other community facilities that provide essential service to rural residents and to pay necessary costs connected with such a facility. The loans carry a term of 40 years or the life expectancy of the item being purchased, improved or built, whichever is the lesser. The interest rates change quarterly and are set on January 1, April 1, July 1 and October 1 of each year. For the current interest rate, contact one of the offices listed below.

The agency is authorized to provide financial assistance for water and waste disposal facilities in urbanized areas in towns of up to 10,000 people. Eligible entities are municipalities, special purpose districts and non-profit corporations. The funds may be used to construct, repair, improve, expand and/or otherwise modify water supply and distribution facilities, including reservoirs, pipelines, wells, pumping stations and water supply. Additionally, funding may also be used to construct, repair, improve, expand or otherwise modify waste collection, pumping treatment or other disposal facilities, including stabilization ponds, storm sewer facilities, sanitary landfills, incinerators and solid waste transfer stations. The term and interest rates are the same as for community facility loans.

The following Massachusetts towns or urbanized areas are eligible for interest rates below the market rate. Towns not listed would be at market rate. Towns and places marked with asterisks (*) are eligible to be considered for water and waste grants.

State County MCD/CDC Place Nonmetropolitan	Population	Median Hshld. Income	
Massachusetts			
Barnstable County			
Barnstable Town	30,898	16,312	
Bourne Town	13,874	15,742	
Brewster Town	5,226	15,678	
Chatham Town	6,071	15,441	
Dennis Town	12,360	13,944	*
Eastham Town	3,473	15,392	
Falmouth Town	23,640	16,572	
Harwich Town	8,971	14,731	
Mashpee Town	3,700	16,179	
Orleans Town	5,306	16,513	
Provincetown Town	3,535	10,108	*
Truro Town	1,486	13,723	*
Wellfleet Town	2,209	12,816	*
Yarmouth Town	18,449	14,560	
Berkshire County			
Adams Town	10,381	13,807	*
Clarksburg Town	1,871	16,471	
Egremont Town	1,312	16,437	
Florida Town	729	13,380	*
Gr. Barrington Town	7,405	15,187	
Hancock Town	639	15,139	
Hinsdale Town	1,707	15,906	
Lanesborough Town	3,131	16,753	
Monterey Town	822	14,412	
Mt. Washington Town	103	13,333	*
New Marlboro Town	1,160	15,346	
North Adams City	18,063	12,442	*
Otis Town	963	14,331	
Sandisfield Town	720	12,750	*
Savoy Town	645	16,103	
Sheffield Town	2,743	15,846	
W. Stockbridge Town	1,280	15,987	
Bristol County			
Fairhaven Town	15,759	15,189	

* 80% level or below - eligible for 75% grant on water or sewer project.
All other on the list are eligible for 55% grant.

CONTACTS:

For Eastern Massachusetts

Richard Lavoie
District Director
Farmers Home Administration
USDA
U. S. Post Office Building
127 Social Street
Room 173
Woonsocket, RI 02895-3132
(401) 765-5500

For Western Massachusetts

Brian Anderson
District Director
Farmers Home Administration
USDA
P. O. Box 455, Route 116
Sunderland, MA 01375
(413) 665-2603

or

Craig Dore, Chief
Community & Business Programs
Farmers Home Administration
USDA
451 West Street
Amherst, MA 01002
(413) 253-3471

ECONOMIC DEVELOPMENT SET ASIDE PROGRAM

STATE -EDSA

The Economic Development Set-Aside (EDSA) Program, administered by the Massachusetts Executive Offie of Communities and Development (EOCD), provides flexible, subordinate "gap financing" for eligible capital investment projects which provide public benefits for Massachusett' smaller communities (those eligible for MAssachusetts Small Cities Community Development Block Grants). The financing may be made available to non-profit businesses and non-profit entities.

WHO MAY APPLY:

Municipalities must apply fro EDSA funds on behalf of the local business or non-proft entity. The community then lends the funds to the loan recipient.

TERMS AND CONDITIONS:

The maximum EDSA loan is $500,000 per recipient annually; the minimumfeasible loan is $100,000. EDSA can fund up to 25% of the total project cost. The other 75% must come from other sources (private equity, bank loan, Massachusetts Industrial Finance Agency, etc.) EDSA will also provide a grant to the community (for up to 7% of the loan amount) to cover its costs of administering the loan.

EDSA loan terms are flexible and will be negotaited based on the needs of each recipient. If required, below-market interest rates can be offered.

ELIGIBLE USES:

The EDSA program provides financing for purchase of capital equipment, acquisition of real estate, new constrcution or rehabilitation and working capital. Use of EDSA funds for construction or rehabilitation will trigger the Davis-Bacon Act, which requires payment of federal prevailing wages to construction workers.

CRITERIA UPON WHICH DECISIONS ARE BASED:

Two major criteria are considered in determining the eligibility of a project for EDSA financing: 1) the public benefit the project will provide and 2) clear need for EDSA funds.

Public benefits include:

- o jobs for low- and moderate-income persons. Projects in which at least 51% of the jobs created or retained by the loan recipient benefit persons from low- and moderate-income families. The projects are given the highest priority.
- o elimination of slums or blight. Commercial or mixed-use projects which help revitalize blighted downtown areas.
- o critical community need. Projects which meet a critical community need such as assistance to businesses dispalced by fire.

Clear need for EDSA financing is demonstrated by:

- o financing gap. When the maximum available Non-EDSA funds have been committed and a financing gap still reamin.
- o Low rate of return. When the rate of return on investment at market-rate interest makes a project economically infeasible.

EDSA applications will also be evaluated on other critria, such as community need, quality of jobs, and EDSA dollars invested per job created or retained. A competitive figure is $10,000 per job.

CONTACT:

David Weiss
Economic Development Set-Aside Program
Executive Office of Communities and Development (EOCD)
Room 1802
100 Cambridge Street
Boston, MA 02202
(617) 727-7180

HISTORIC PRESERVATION INCENTIVES

STATE-FEDERAL/MHC

There are two matching grant programs aimed at preservation/and restoration of historic resources; both are administered by the Massachusetts Historical Commission (MHC).

Massachusetts Preservation Projects Fund

PURPOSE:

The Massachusetts Preservation Projects Fund is a state-funded matching grant program established in 1984 to support preservation and maintenance of properties and sites listed in the State Register of Historic Places. Grants range from $5,000 to $100,000.

Types of Project Research: Include Historic Structures Report and archaeological investigations.

Development: Construction activities including stabilization, protection, rehabilitation and restoration.

Acquisition specially allocated for endangered properties.

Filing of Applications: Preapplication materials are available in October. Deadline for filing is the first day of December.

WHO APPLIES:

Municipalities and private non-profit organizations.

SURVEY AND PLANNING SUBGRANTS

The Massachusetts Historical Commission a federally funded matching grant program for non-construction preservation activities.

Eligible activities are: Intensive inventory, registration and comprehensive preservation planning for historic and prehistoric resources. Grants also support staff in Regional Planning Agencies, publications and conference planning.

WHO APPLIES:

Local historical commissions, historic district commissions (and land study committees), units of state or local governments, educational institutions, private non-profit organizations and "certified" local governments.

CONTACT:

Grants Division
Massachusetts Historical Commission
80 Boylston Street
Boston, MA 02116
(617) 727-8470

LEEWAY LAW

STATE-BANKING DEPARTMENT

The so-called "Leeway-Law" was enacted by the Massachusetts Legislature in 1970 to enable both savings banks and cooperative banks to directly invest in development projects (or business ventures) they would not otherwise be authorized to invest in. Banks seeking ways to display their commitment to the communities they serve can take the initiative in community revitalization efforts by participating directly in development plans. The Leeway Law provides a great deal of freedom to banks to play a number of roles in the development process. Banks can provide the equity as well as the financing needed to get a project moving.

Working usually through a solely owned subsidiary, a bank can purchase, develop, and manage property. The size of a bank's leeway investments are limited to a maximum of 5% of total deposits, anything over 3% must be invested in urban renewal type projects, and only 2% of total deposits on any single investment.

WHO APPLIES:

All state chartered banks

CONTACT:

Andrew J. Calamare
Commissioner of Banks
20th Floor, Room 2004
100 Cambridge Street
Boston, MA 02202
(617) 727-3120

MASSACHUSETTS MAIN STREET CENTER

STATE-EOCD

THE MAIN STREET APPROACH TO DOWTOWN REVITALIZATION

The Massachusetts Main Street Program is designed to help communities strengthen their local economy by improving the economic health of downtown. The Main Street Program has been successful in Massachusetts and around the country because it is concerned not only with the way a downtown looks, but more importantly with a way that a downtown functions in today's competitive economy

Traditionally, communities have relied on beautification programs to bring vitality and business back downtown to "Main Street." The Main Street Program combines an emphasis on physical improvements with a pragmatic orientation that stresses sound management, community involvement, competitive community activity and identity.

A goal of the Main Street Program is to encourage economic development within the context of historic preservation. Preservation is defined as the management of change, ensuring that new development complements the community's architecture and history. The Main Street Program also emphasizes community self relience and encourages Main Street's traditional assets of personal service, local ownership, unique architecture and sense of community.

The Main Street Program is based on a comprehensive, four point approach to downtown revitalization. These four points are: ORGANIZATION, PROMOTION, DESIGN and ECONOMIC RESTRUCTURING. Experience has proven that a Main Street Program which lacks any of these fundamental ingredients will probably not survive. It is therefore necessary that all four points of "The Main Street Approach" be given adequate attention in a downtown revitalization program; though they will have a tendency to overlap at times and may be given different emphasis at various stages of the program.

The key element in the ORGANIZATION component of the Main Street Approach is the early formation of a local Main Street organization. This organization should include a partnership of public and private individuals and entities who are concerned with or have a stake in the future of the downtown. In short, membership to the downtown organization should be open to the entire community and should be as broad based as possible.

The downtown organization should include a Board of Directors consisting of members who are key decision makers in the community such as municipal officials, bankers, merchants, industrialists, preservationists, Chambers of Commerce officials, downtown residents, design professionals, developers, realtors, other professionals with practices located downtown or representatives of and other groups or agencies in the community which are concerned with downtown. The Board of Directors should form a small Executive Commitee to act as the decision making body of the organizationand establish a clearly defined structure of standing committees which will conduct the normal activities of the organization such as membership and fundraising, promotions, design review and economic restructuring. Special committees may also be formed to perform specific, one time tasks or events. It should be a mission of the downtown organization functioning as an advocate for the downtown.

The Downtown Manager serves as staff support to the Downtown organization in executing its plans and activities. The manager functions as the principal advocate of downtown and coordinator insuring that all appropriate individuals and groups are involved from the out set of the program and working together to develop a positive image for downtown. The downtown Manager assists in developing a strong Main street organization or Downtown Business Association that actively manages a downtown shopping district.

The PROMOTION of downtown as a unified shopping district, much in the way a shopping mall would be promoted, helps to attract customers and strengthens Main Street's role as a viable business center. The Downtown manager works with the Main Street organization or business association to develop a creative marketing plan, coordinating advertising, promotions and special events. These strategies help downtown to improve both its self image and the image that it projects to potential customers.

Good or appropriate DESIGN is essential to all aspects of downtown revitalization. The buildings on Main Street reflect the community's history, and often represent quality design from a variety of historical periods. The Main Street philosophy encourages utilization and enhancement of those elements of quality design which remain in each building. These buildings should be maintained and can be successfully adpted for today's commercial needs. In addition, the community's promotional literature, window displays, signs and public improvements should all promote a quality image.

ECONOMIC RESTRUCTURING enables Main Street to regain its role as the center of community and economic activity. Successful downtown areas will usually offer a mix of housing, goods and services, recreation and entertainment. The key to a successful Economic Restructuring program is to encourage the "proper mix" of goods, services, and activities downtown which will allow the community to thrive. Retail business recruitment, development of imaginative marketing and merchandising techniques and reuse of vacant upper stories for housing and office space are some aspects of an Economic Restructuring program

PROGRAM ELEMENTS:

Communities participating in the Main Street Program can expect to develop a permanent, comprehensive downtown management program which is self-supporting through joint private and public sector participation. The program offers financial and technical assistance to help communities in applying the "Main Street Methodology" to their downtowns. There will be three separate components to each Main Street grant: funds towards the salary of a downtown manager; seed money to partially finance local projects; and technical assistance from EOCD to implement the project in a comprehensive manner.

CONTACT:

Lynn Bowness, Director
Massachusetts Main Street Center
Executive Office of Communities and Development
Room 904
100 Cambridge Street
Boston, MA 02202
(617) 727-3197

OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT

A STATE OFFICE WITH A NEIGHBORHOOD FOCUS
STATE-OCED

The primary goal of the Office of Community Economic Development (OCED) is to strengthen non-profit, community development organizations so that they can improve the physical, economic and social conditions for residents in their neighborhoods. As a state office, we work with Community Development Corporations (CDC's), Neighborhood Housing Service Corporations (NHS's), Regional Non-Profit Housing Agencies and other community based groups--in both rural and urban areas--to increase and provide jobs for low and moderate income people.

Much has been accomplished to demonstrate that community controlled development is possible and extremely valuable. In the last decade, community development organizations across the state have rehabilitated thousands of housing units, increased the commercial activities of small businesses, and created new jobs in their communities. Despite these gains, our mission of assisting locally initiated community development efforts is more critical now than ever before. Sharp cutbacks in Federal funding and the persistance of high unemployment, inadequate public services, the lack of affordable and decent housing, and the loss of small business and industry in lower income communities are indeed serious problems that require a long-term resource commitment and a continued emphasis on meeting the most pressing concerns at the neighborhood level.

THREE AREAS OF ASSISTANCE

Located in the Division of Neighborhoods and Economic Opportunity within the Executive Office of Communities and Development, OCED provides three types of assistance to eligible community based organizations:

Grants and Administrative Support: OCED is the only Massachusetts state agency which provides funding for staff and related administrative costs of CDC's and other non-profit development organizations. The Office awards grants annually through a competitive process based on an assessment of community need, a group's track record, project feasibility, the extent of community participation and support, and the ability to raise other public and private funds.

Technical Assistance: Our field representatives provide technical assistance to community based organizations in the areas of program planning, organizational development, fundraising, Board involvement with staff and membership, and community outreach. In Fiscal year 1985, a new Training and Technical Assistance program provided small grants to eligible organizations to improve their skills in areas such as organizational development and management, administrative tasks, and marketing.

Informational Clearinghouse: Our office also acts as a clearinghouse by providing information to funded groups about State and Federal programs and by putting them in touch with key agency contacts. In addition, we distribute: a quarterly newsletter which features articles on innovative non-profit projects, legislative and program updates, and a regular column written by community organization directors; a manual describing how to organize a CDC; and an extensive mailing list of Massachusetts CDC's, NHS's and regional non-profit housing agencies.

PROGRAM SUPPORT

Massachusetts is nationally acclaimed as a model for state support for community based organizations. OCED's four major programs play a critical role in this support system:

Community Enterprise Economic Development Program (CEED): Begun in 1979, the CEED program provides grants to CDC's to pay the salaries of staff who work on neighborhood revitalization projects. These projects--which vary according to local need--range from converting abandoned buildings into affordable rental housing to administering small business revolving loan funds. Between January 1, 1984 - June 30, 1985, $1.3 million in state CEED grants leveraged $122 million in additional private and public support. In addition, almost 1,250 housing units were built or rehabilitated and over 2,100 jobs were either created or retained.

Neighborhood Housing Services (NHS): The NHS program is a unique partnership among neighborhood residents, local government officials, and private lenders who work together to rehabilitate housing and promote neighborhood reinvestment. Current NHS programs in Boston, Springfield, Chelsea, Quincy, Lawrence and Cambridge operate loan funds for property owners, provide financial counseling, and offer construction planning and monitoring services to residents. Since 1981, OCED has funded these NHS programs with $1,400,000 to supplement their revolving loan funds, resulting in over 270 rehabilitated housing units. In addition, EOCD provides fees for services to help support staff costs.

Housing Services: The Housing Services Program funds community-based organizations who in turn provide support services such as counselling, technical assistance, education and mediation to both landlords and tenants of multi-family, lower income housing. The primary goal of this program is to preserve the availability and affordability of private housing for low income residents.

WHO APPLIES:

Community development corporations (CDC's) or other community based, non-profit organizations serving economically-distressed areas.

CONTACT:

Linda Prosnitz
Division of Neighborhood and Econonic Opportunity
Office of Community Enterprises and Economic Development
Room 1103
100 Cambridge Street
Boston, MA 02202
(617) 727-7127

OPEN SPACE PROGRAM

State - DPW

Location: The Massachusetts Departmant of Public Works, Bureau of Transportation Planning and Development, 10 Park Plaza, Boston.

Description: The purpose of the Program is to acquire land or rights in land adjacent to public ways for the purpose of restoring, preserving, or enhancing areas of scenic beauty or special environmental value. The MDPW achieves this goal through both fee simple acquisitions and the purchase of scenic/ conservation easements. Cooperative management agreements are made with other state agencies, local conservation commissions and private groups. The Program will help to preserve the Commonwealth's sense of place through the conservation of scenic landscapes.

Year Initiated: 1986

Linkage: The Program interacts with the Department of Environmental Management; The Department of Fisheries, Wildlife and Environmental Law Enforcement; the Department of Food and Agriculture; the Executive Office of Environmental Affairs; local conservation commissions; the Trustees of Reservations; the Trust for Public Land; Massachusetts Audubon Society; Public Space Partnerships; and private citizens.

Criteria: The M.D.P.W. Open Space Program will consider acquisitions of land where a parcel, as viewed from a public way, clearly forms a part of a discernable natural landscape of outstanding quality. The parcels of land should contain a substantial proportion of the following criteria.

- Provide scenic vistas from the road of either man-made or natural features which are of local or statewide significance.
- Be adjacent to well-travelled public ways.
- Be adjacent to land previously purchased for conservation.

- Possess one or more of the following characteristics, so that there is a possibility of joint acquisition with other agencies: coastal and/or inland wetlands, aquifer recharge areas, agricultural land, land containing rare or endangered plants, animals or ecosystems; rare or unique geologic features; historic structures; landscapes or archaelogical sites; and other special features.
- Protect scenic land under threat of development.
- Provide a maintenance and management plan by a conservation commission, local group or state agency.
- Provide access for all Commonwealth residents and visitors, consistent with highway safety.

Observations: The program is one of the only scenic highway programs in the country with an allocation of funds for land acquisitions.. Most acquisitions require prior approval of the State House and Senate Ways and Means Committees.

Application: Application can be made by completing the Open Space Program Application Form and enclosing 10-20 color slides or photographs of the parcel(s) you would like to have considered.

CONTACT:

Susan Quateman or Elizabeth Shultis
Open Space Program
Massachusetts Department of Public Works
10 Park Plaza - Room 4150
Boston, MA 02116
(617) 973-7323 or 973-8003

SPECIAL PROJECTS PROGRAM

OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT
STATE

The Special Projects Program, funded through the Community Services Block Grant (CSBG), is used to initiate and expand innovative projects which can lead to or improve methods and teqniques of providing decent, affordable housing and economic opportunities for low income people. Funded on a competitive basis, the program assists community organizations in the areas of housing development, economic development, and statewide organizing, training and technical assistance for targeted low income groups.

WHO APPLIES:

Non-profit community based organizations can apply for these funds in response to an annual request for proposals.

CONTACT:

Executive Office of Communities and Development
Office of Community Economic Development
100 Cambridge Street, Room 1103
Boston, MA 02202
(617) 727-7127

URBAN REDEVELOPMENT CORPORATIONS - CHAPTER 121A
LOCAL-STATE-EOCD

The Massachusetts General Law offers incentives to private developers to provide in a blighted open, decadent or substandard area, any of the following uses:

> "residential, commercial, industrial, recreational or governmental as shall be in the public interest, and the operation and maintenance of such facilities after construction."

The incentive is tax predictability for a period of 15 to 40 years through the only legal method of tax agreement in the Commonwealth. Under the provisions of section 6A and 10 a developer may contract with the local boards of assessors to establish excises for EOCD approved projects in lieu of property taxes. The application process is a public one with participation on the local level by mayors, boards of selectmen, city councils and planning boards. With the exception of the City of Boston, final approval of the application for each community is with EOCD.

WHO APPLIES:

Eligible applicants include:

Charitable corporations organized under Chapter 180,
Individuals or associations of individuals,
Insurance companies or a group of insurance companies, and
Savings banks or a consortium for savings banks.

PROCESS:

The procedures for the application and approval process are spelled out in a publication entitled Chapter 121A - Rules and Regulations.

CONTACT:

Arlene Browne
Executive Office of Communities and Development
Room 904
100 Cambridge Street
Boston, MA 02202
(617) 727-3252

TRANSPORTATION

This section describes the program available to assist urban areas throughout the Commonwealth in upgrading and improving their transportation network. The program described in this section: the Transportation Planning and Development Process, Urban Systems, and Urban Mass Transit Administration, are primarily federal programs administered by the State's Executive Office of Transportation and Construction. In the last few years, as the concept of transportation began to be seen as an integral part of community revitalization efforts, these programs have played an increasingly key role in ensuring the success of many urban development projects.

HIGHWAY PLANNING AND DEVELOPMENT

STATE-MDPW

The Massachusetts Department of Public Works (M.D.P.W.) has the statutory responsibility for the development of statewide transportation plans and programs. The M.D.P.W. is also responsible for the disbursement of State Aid to communities for the purpose of highway construction and repair, and is the designated agency for the receipt and disbursement of Federal-Aid highway funds.

The MDPW's operations are distributed among eight (8) separate District offices. These District offices are the local level of contact between communities and the MDPW. Requests to the MDPW to study and solve highway or highway related transportation problems should originate at the District level.

Regional Planning Agencies (R.P.A.) are responsible for comprehensive regional planning and serve as the lead transportation planning agency in their respective regions.

The R.P.A. is also a resource to communities, supplying technical direction to aid communities in the resolution of their transportation problems.

WHO APPLIES:

Individuals, local organizations or agencies through their Regional Planning Agency or M.D.P.W. District Office.

CONTACT:

Michael L. Burke, P.E. Director
Bureau of Transportation Planning and Development
10 Park Plaza, Room 4150
Boston, MA 02116
(617) 973-7310 or

MDPW District Offices

1. MDPW District #1 Office
   270 Pittsfield Road
   Lenox, MA 01240
   Tel. (413) 637-1750

2. MDPW District #2 Office
   North King Street
   Northampton, MA 01060
   Tel. (413) 584-1611

3. MDPW District #3 Office
   403 Belmont Street
   Worcester, MA 01613-0885
   Tel. (508) 754-7204

   Mailing Address
   P.O. Box 885

4. MDPW District #4 Office
   519 Appleton Street
   Arlington, MA 02174
   Tel. (617) 648-6100

5. MDPW District #5 Office
   485 Maple Street
   Danvers, MA 01937
   Tel. (508) 774-3190

6. MDPW District #6 Office
   1000 County Street
   Taunton, MA 02780
   Tel. (508) 824-6633

7. MDPW District #7 Office
   2 Commerce Park Blvd.
   Middleborough, MA 02346
   Tel. (508) 947-9000

8. MDPW District #8 Office
   400 "D" Street
   South Boston, MA 02210
   Tel. (617) 482-0811

Regional Planning Agency Addresses

1. Berkshire County Regional
   Planning Commission
   10 Fenn Street
   Pittsfield, MA 01201
   Tel. (413) 442-1521

2. Franklin County Department of
   Planning
   Court House, 425 Main Street
   Greenfield, MA 01301
   Tel. (413) 774-3167

3. Pioneer Valley Planning
   Commission
   26 Central Street
   West Springfield, MA 01089
   Tel. (413) 781-6045

4. Montachusett Regional Planning
   Commission
   100 Main Street
   Fitchburg, MA 01420
   Tel. (508) 345-7376

5. Central Mass. Regional Planning
   Commission
   340 Main Street, Suite 747
   Worcester, MA 01608
   Tel. (508) 756-7717

6. Northern Middlesex Area Commission
   35 Market Street, 2nd Floor
   Lowell, MA 01852
   Tel. (508) 454-8021

7. Merrimack Valley Planning Commission
   350 Main Street
   Haverhill, MA 01830
   Tel. (508) 374-0519

8. Metropolitan Area Planning Council
   110 Tremont Street
   Boston, MA 02108
   Tel. (617) 451-2770

9. Old Colony Planning Council
   R 1427 Water Street
   Brockton, MA 02401
   Tel. (%)*) 583-1833

Regional Planning Agency Addresses

10. Southeastern Regional Planning and
Economic Development District
88 Broadway
Taunton, MA 02780
Tel. (508) 824-1367

11. Cape Cod Planning and Economic
Development District
First District Court House
Barnstable, MA 02630
Tel. (508) 362-2511

12. Martha's Vineyard Commission
P.O. Box 1447
Oak Bluffs, MA 02557
Tel. (508) 693-3453

13. Nantucket Planning and Economic
Development District
Town and County Building
Nantucket, MA 02554
Tel. (508) 228-6800

MASS TRANSIT FUNDING

FEDERAL-STATE-UMTA-EOTC

Two major types of funding are available from the Federal Urban Mass Transportation Administration (UMTA) to regional transit authorities for mass transit improvements. The following funding categories are presently available: (a) planning monies for the design and study of the mass transit system, with 80% funding from the federal government; (b) operating monies for the provision of transit service, with 50% coming from the federal government, 25% from the state, and 25% from the service communities; (c) capital improvement monies for the acquisition of transit equipment and facilities, with 80% to be provided by the federal government, 10% by the state, and 10% to be assessed to the service communities for the Section 9 program and 75% to be provided by the Federal Government and 25% by the state and localities for the Section 3 program.

In addition to the MBTA, there are 14 regional transit authorities in Massachusetts. There is also a Section 8 planning grant program available to EOTC and regional planning agencies at a 80%, 20% federal grantee ratio.

WHO APPLIES:

Regional transit authorities and regional planning agencies apply through the normal transportation planning and development process, working with the Executive Office of Transportation and Construction.

CONTACT:

Regional transit authority, regional planning agency or:

Richard H. Doyle
Regional Manager
UMTA Regional Office, Transportation Systems Center
55 Broadway, Room 930
Kendall Square, Cambridge, MA 02142
(617) 494-2055

URBAN SYSTEMS
ROADWAY IMPROVEMENTS
FEDERAL-STATE-DOT-DPW

Funding under the Urban Systems program can be used for transportation improvements to existing arterial roadway systems. Eligible activities include reconstruction, removal of on-street parking, realignment, sidewalk improvements, municipally owned street lighting, traffic safety devices, and tree planting along improved roadways. Monies can also be used to pay for the replacement of spaces lost through the removal of on-street parking in an Urban Systems project.

75 percent of the cost of these projects is paid by the federal government and the remaining 25% by the state. Certain Urban Systems funds are earmarked to urbanized areas and cities with high density; the balance is distributed to other urban and urbanized areas statewide.

In order for a community to move its project along expeditiously, it should use local funds to produce designs which can be approved at the state level for construction financing.

WHO APPLIES:

Eligible municipalities with a Federal Census Urban Area.

CONTACT:

Sumner Hoffman, Director
Urban Systems
10 Park Plaza
Room 6210
Boston, MA 02116
(617) 973-7251

SEWER AND WATER

This section describes the major sources of federal and state funding available to assist urban areas in meeting their sewer and water needs. These programs are administered by the Executive Office of Environmental Affairs, and form a critical link in ensuring adequate physical capacity to accommodate growth. The 201 Program provides a community with funding for the planning, design and construction of sewers and wastewater treatment facilities. A recently enacted state law is also described which will provide funding for the construction of lateral sewers and collection systems which can assist an urban area in creating or retaining employment opportunities.

Of equal importance to urban areas is the continued adequacy of the Commonwealth's drinking water supply. Many older urban areas face a variety of water supply problems including the need to rehabilitate old water distribution systems and to treat contaminated supplies.

Department of Environmental Protection

Bureau of Municipal Facilities

Wastewater Treatment Construction Grants/Loans

State - EPA

Then State/EPA Construction Grants Program provides financial assistance to municipalities and sewerage districts for water pollution abatement projects. The enactment of Chapter 275 of the acts of 1989 provides comprehensive legislation to continue and accelerate our commitment ot cleaning up the rivers, streams and coastal waters of this Commonwealth through this program. This legislation authorizes in part about 1 billion 200 million in the construction grants/loans program for municipal water pollution abatement projects. All Masschusetts cities and towns are eligible for this program.

Chapter 275 creates a state revolving dund (SRF), as required by federal mandate, and provides a financial assistance to municipalities and other public entities for water pollution abatement projects.

The SRF is established as a Trust administered by a bord of trustees consisting of the State Treasurer, the A&F Secretary, and the Department of Environmental Protection (DEP) Commissioner. The Trust and DEP are directed to work closely together.

The SRF will subsidize projects through loans offered at discounted interest rates, and in some cases, through payment of principal. Loan recipients are required to cnoform to various program requirements now in effect, and to follow certain new requirements. Recipients will be required to pledge revenue to the loans, and may now pledge system revenues without the consent of the legislature.

The EPA construction grants program will remain a cornerstone of th water pollution control effort. This program has undergone extensive Congressional and Administration evaluation as a result of the reauthorization of the Federal Clean Water Act. A critical work element for this year will be to develop and implement th necessary regulatory framework to set up the state revolving fund (SRF) program.

CONTACT:

Paul Taurasi, Chief Engineer
Department of Environmental Protection
Bureau of Municiapl Facilities
One Winter St., 6th floor
Boston, MA 02108
(617) 292-5793

Department of Environmental Protection

Bureau of Municipal Facilities

Tier II Grants/Loans Program

The Tier II State Constrcution Grants Program was established by Chapter 786 of the Acts of 1989 with an authorization of $20 million per year for each of the Fiscal Years 1986-89. The regulations governing the operation of the program re contained in 314 CMR 14. Grants were made in an amount not to exceed 70% of the projects eligible cost. These funds are available to municipalities and sewerage districts for wastewater construction projects that are not funded by the Federal program or which have lower priority in the Federal system. Examples include combined sewer intercepto, sewer and pumping stations.

Under Chapter 275 of the ACts of 1989, Tier II was modified to a combination grants/loan program. Modifications to the existing regulations will ne

encessary to fully implement to the revised program.

CONTACT

Alan D. Slater
Department of Environmental Protection
Bureau of Municiapl Facilities
One Winter St.
Boston, MA 02108

Sewer Collection System Grants/Loans Program

Enacted in 1979, this progam provides state loan/grant funds to construct collector sewer systems. Grants are made in amount not to exceed 50% of a project's eligible costs or $3 million, whichevere is less and are made in accordance with the priority systems established under Division of Water Pollution Control regulations (314 CMR 10). The Division has established two deprate sets of priority criteria: one for ranking "economic benefit sewer projects", and the second for ranking "collection system projects". Chapter 275 of the Acts of 1989 changed the type of assistance available to communities from grants to loans. In certain instances, supplemental grants may also be available. REgulations clarifying the intent of this legislation are now being prepared for promulgation. The regulations for this program as appearing in 314 CMR 10.00 remain in effect. With respect to economic benefit projects, only projects that create or retain long-termemployment opportunities are considered for funding.

WHO APPLIES:

Any Massachusetts public entity may submit to the Division a sewer collection system project for inclusion on either the economic benefit or collection priority list by completing and filing the appropriate project information form (PIF) prior to December lst, preceding each fiscal year, (i.e. for FY-88; JUly 1, 1988 to June 30, 1989, a PIF must be received no later than December 1, 1987).

CONTACT:

Leo Andronica
Department of Environmental Protection
Bureau of Municipal Facilities
One Winter St., 6th floor
Boston, MA 02108
(617) 292-5681

Infiltration/Inflow Grants/Loans Program

This program is in a transition period which allows the Bureau of Municipal facilities to make 75% State Grants (25 percent local share) until June 30, 1990. The purpose of the grant would be to allow cities, towns and communities to perform an analysis of their system to identify and locate extraneous flow in the sewer system. Extraneous flow may come from excess water from rainfall (inflow) and from the deterioration of sewer collection systems that leak causing infiltration. In many cases I/I has reduced the ability of sewer systems and treatment facilities to transport and treat domestic and industrial waste.

Legislation enacted in 1989 (Hayes Bill; Chapter 275 of the Acts of 1989) will provide low interest lons to municipalities for the eligible costs of their project.

Department of Environmental Protection

Bureau of Municipal Facilities

Water System Rehabilitation Program

This program is avilable to assist public work suppliers in correcting deficiencies within existing water distribution systems Types of projects allowed are cleaning and lining, replacement and looping of water mins; covering of existing storage reservoirs when so ordered by the Department; and installation of hydrants, valves and fittings on existing mains.

The program provides grants-in-aid at fifty percent of eligible costs expended up to a present maximum reimbursement amount of $500,000. Eligible costs include expenditures for labor and materials in constructing the project. Costs for engineering and other professional services associated with implementing the project are not reimburseable.

To be considered for this program requires that a public water supplier submit a proposal in response to a Department's request for proposals. The frequency of occurence of the Department's request for proposals varies as resources allow. The Department prioritizes each proposal based on specific rating criteria. Applicants of the highest priority projects are allowed to pursue a funding opportunity by submitting a formal grant application. For additional information, see program regulations, 31CMR 26.00.

CONTACT:

Jack Hamm
Department of Environmental Protection
Bureau of Municipal Facilities, Water Supply Section
One Winter St., 9th floor
Boston, MA 02108
(617) 292-5768

Department of Environmental Protection

Bureau of Municipal Facilities

Drinking Water Filtration Program

This program is available to assist public water suppliers in the construction of upgrades, expansions and new water filtration facilities. The program provides grants-in-aid at fifty percent of eligible costs expended. Eligible costs include expenditures for labor and materials in constructing the facilities; engineering inspection services during construction; and professional services in developing an operation and maintenance manual, providing start up assistance, and training operators. Costs for other engineering and professional services during the planning, piloting, design, pre-construction, and office engineering during construction are not reimburseable.

Projects are funded in the order in which completed applications ar received. A complete application requires in part that the DEpartment's approval,of the final construction contract documents to construct the proposed facility be obtained. The availability for funding from this program will likely end during FY90 upon the maximum authorized funding ceiling being reached.For additional information, see program regulations, 31CMR 25.00.

CONTACT:

Jack Hamm
Department of Environmental Protection
Bureau of Municipal Facilities, Water Supply Section
One Winter St., 9th floor
Boston, MA 02108
(617) 292-5768

The Department is authorized by Chapter 275, Acts of 1989 to implement a new program of financial assistance consisting of loans and grants to assist public water suppliers in developing water treatment facilities. Fundable project work includes planning, facility studies, piloting, value engineering and preliminary and final design; preconstruction activities; and construction, including construction supervision, operator training and facility start-up. Funding decisions will be made based upon priority lists. This new program is anticipated to be operational in late FY90 upon completionof developing program regulations and priority lists.

Department of Environmental Protection

Bureau of Municipal Facilities

Water Audit/Leak Detection Program

This progeam made available to public water suppliers is designed to enhance water conservation efforts by conducting water audit and leak detection surveys. A water audit survey is a detailed evaluation and ccounting of water production and consumption by source, leading to a detrmination of sn estimated amount of unaccounted for water delivered to the distribution system. A leak detection survey comprises specific field activities in locating sources of leakage within the distribution system.

The program provides grants-in-aid at fifty percent of eligible costs expended up to a present maximum reimbursement amount of $50,000. Eligible costs include expenditures for labor and materials required in the performance of the water audit and leak detection surveys, including selective water meter testing and purchase of leak detection equipment and training of grantee personnel in its use. Costs of repairing or replacing defective water meters or distribution system leaks are not reimburseable.

To be considered for this program requires that a public water supplier submit a proposal in response to a Department's request for proposals. The frequency of occurence of the Department's request for proposals varies as resources allow. The Department prioritizes each proposal based on specific rating criteria. Applicants of the highest priority projects are allowed to pursue a funding opportunity by submitting a formal grant application. For additional information, see program regulations, 31CMR 26.00.

CONTACT:

Jack Hamm
Department of Environmental Protection
Bureau of Municipal Facilities, Water Supply Section
One Winter St., 9th floor
Boston, MA 02108
(617) 292-5768

Department of Environmental Protection
Bureau of Municipal Facilities
State Water Meter Grant Program

This progeam is available to public water suppliers to assist in achieving full metering of water supply systems to allow for billing systems to be bsed on actual consumption and cost of service provided. Types of projects that are allowed include new installations, replacements, rehabilitiations, and modernization of both use and mster water meters.

The program provides grants-in-aid at fifty percent of eligible costs expended to a maximum reimbursement amount of $one and one-half million dollars. Eligible costs include expenditures for labor and materials necessary in constructing an allowed project. Costs of engineering and other professional services associated with implementing the project are not reimburseable.

To be considered for this program requires that a public water supplier submit a proposal in response to a Department's request for proposals. The frequency of occurence of the Department's request for proposals varies as resources allow. The Department prioritizes each proposal based on specific rating criteria. Applicants of the highest priority projects are allowed to pursue a funding opportunity by submitting a formal grant application. For additional information, see program regulations, 31CMR 38.00.

CONTACT:

Jack Hamm
Department of Environmental Protection
Bureau of Municipal Facilities, Water Supply Section
One Winter St., 9th floor
Boston, MA 02108
(617) 292-5768

SEWER COLLECTION SYSTEM GRANTS

STATE-DEP - M.F.

Enacted in 1979, this program provides state grant funds through fiscal year 1990 to construct collector sewer systems. Grants are to be made in an amount not to exceed 50% of a project's eligible cost or $3 million, whichever is less and are made in accordance with priority systems established under Division of Water Pollution Control regulation (314 CMR 10). The Division has established two separate sets of priority criteria: one for ranking "economic benefit sewer projects", and the second for ranking "collection system projects".

With respect to economic benefit projects, only projects that assist in creating or retaining long-term employment opportunities will be considered for funding. The project must appear on the "fundable" list before a grant application can be made. Unexpended funds are carried over and made available for collection systems projects in the next fiscal year.

WHO APPLIES:

Any Massachusetts public entity may submit to the Division a sewer collection system project for inclusion on either the economic benefit or collection priority list by completing and filing the appropriate project information form (PIF) prior to December 1st preceding each fiscal year, (i.e. for FY-89; July 1, 1988 to June 30, 1989, a PIF must be received no later than December 1, 1987).

The Collection Systems Construction Program, as established by MGL c.21, 30A (amended), is authorized to malke LOANS/GRANTS for the construction of collection systems.

Chapter 275 of th Acts of 1989 changed the type of assistance available to the communities from grants to loans. In certain instances, supplemental grants may also be available. Regulations clarifying the intent of this legislation are now being prepared for promulgation. The regulations for this program as appearing in 314 CMR 10.00 remain in effect. Some minor technical changes may be necessary. One change that has been implemented is the transition from thr so called "two year rule" to the present "one year rule" [one grant (loan) per public entity per fiscal year].

The purpose of the program remains:

- to serve those substantially developed residential areas having the greatest need and/or
- to promote industrial/commercial projects providing substantial economic benefit to the Commonwealth.

CONTACT:

DEP - Bureau of Municipal Facilities
Leo Andronico
Division of Water Pollution Control
1 Winter Street - 6th floor
Boston, MA 02108-64
(617) 292-5681

WASTEWATER TREATMENT CONSTRUCTION GRANTS
State - EPA

The State/EPA Construction Grants Program provides financial assistance to municipalities and sewerage districts for water pollution abatement projects. The enactment of Chapter 786 of the Acts of 1985 provides comprehensive legislation to continue and accelerate our commitment to cleaning up the rivers, streams and coastal waters of this Commonwealth through this program. This legislation authorizes in part $357 million in the construction grants program for municipal water pollution abatement projects. All Massachusetts cities and towns are eligible for this program.

In the implementation of this legislation, provision has been made to allow the Federal percentage of project funding to be reduced to 35 percent of the eligible costs. Chapter 786 provides State bonding authorization to allow this Division to increase our State matching grant to 55 percent, thereby maintaining the municipal contribution at 10 percent. The net result of these actions will be to increase the number of projects that could be funded. With the increased Commonwealth funding, (75 million annually for FY-86, 87 and 88), it will be possible to accelerate the EPA/State grant program to commerce construction on approximately $600 million of water pollution control projects during this period while Federal grants are still available.

The EPA construction grants program will remain a cornerstone of the water pollution control effort. This program has undergone extensive Congressional and Administration evaluation as a result of the reauthorization of the Federal Clean Water Act. A critical work element for this year will be to develop and implement the necessary statutory and regulatory framework to set up a state revolving fund (SRF) program.

Additionally, the recently enacted infultration/inflow reduction program provides $100,000 in state funds to cities and towns for rehabilitation of sewerage collection and transmission facilities to reduce infiltration/inflow.

CONTACT:

Thomas C. McMahon
Division of Water Pollution Control
1 Winter St.
Boston, MA 02108-64
(617) 292-5646

HOUSING

This section contains a brief description of the variety of federal and state funding programs that are available to help ensure an adequate supply of housing within urban areas. For the most part, these programs are limited to providing opportunities for low and moderate income persons.

Programs described in this section are those which provide funds to local housing authorities for the acquisition/construction/rehabilitation of scattered site housing for low-income families, as well as housing for the elderly. In addition, the various state and federal programs which provide rent subsidies for low income persons are also discussed.

Other programs described in this section involve the use of tax-exempt bonds to finance both rental housing and home ownership opportunities for low and moderate income persons. Further described are three federal programs which can offer financing as well as technical assistance to those individuals interested in rehabilitating their homes.

The federal government's efforts to increase the availability of private financing for housing production through loan and mortgage insurance and the creation of a secondary mortgage market are described in this section as well.

ELDERLY AND HANDICAPPED HOUSING

SECTION 202
FEDERAL-HUD

This program provides housing and related facilities for the elderly or handicapped: Long-term direct loans are available to eligible private non-profit sponsors to finance rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The current interest rate is based on the average rate paid on Federal obligations during the preceding fiscal year. Section 8 funds are made available for 100% of the Section 202 units. Separate competition is held for elderly housing and handicapped in the spring.

WHO APPLIES:

Private non-profit sponsors may qualify for loans. Households of one or more persons, the head of which is at least 62 years old or is qualified nonelderly handicapped between the ages of 18 and 62 are eligible to live in the structures.

CONTACT:

Jeanne McHallam
Housing & Development Division
U.S. Department of HUD
10 Causeway Street, 3rd Floor
Boston, MA 02222
(617) 565-5154

ELDERLY HOUSING

CHAPTER 667
STATE-EOCD

Chapter 667 provides funds to local housing authorities to develop housing for low income elderly who are 62 and older and handicapped persons of any age. Grants are awarded for new construction or major rehabilitation.

Residents live in conventional one-bedroom apartments or in congregate units. Conventional developments consist of independent apartments sharing a community room, laundry and reception space.

In congregate housing, each resident has a bed-sitting room and shares areas such as a living room, dining area, and kitchen. In congregate housing, residents who need additional support services to live independently receive assistance in arranging for those services from a congregate housing coordinator funded by the Department of Elder Affairs.

As in all state-funded public housing, the rents that tenants pay does not exceed 25% of their net income. Operating subsidies are provided for those projects where rental income cannot cover operating costs. Five percent of the units in each project must be specifically designed and made available to handicapped persons of any age.

WHO APPLIES:

The Local Housing Authority

CONTACT:

Gary McNeil, Director
Bureau of Planning & Budgeting
Executive Office of Communities and Development
Room 1704
100 Cambridge Street
Boston, MA 02202
(617) 727-7130

FAMILY HOUSING PROGRAM

CHAPTER 705
STATE-EOCD

The Chapter 705 program provides scattered-site housing for low income families thoughout the Commonwealth, through grants to local housing authorities. The program is designed to be flexible and can accommodate a wide range of activities. Local housing authorities use these funds to construct duplexes or small multi-unit structures, to purchase units in existing or newly constructed developments, including condominiums, or to rehabilitate existing structures such as school buildings.

Preference is given to proposals from local housing authorities which: (1) include town donated sites or contributions to acquire sites and (2) show willingness to develop balanced housing opportunities in the community, for families, elderly, and residents with special needs. Tenants under the 705 program pay a maximum of 25 percent of their net income toward rent.

WHO APPLIES:

Local housing authorities apply directly to the Executive Office of Communities and Development.

CONTACT:

Suzanne Barclay
Family Housing Coordinator
Bureau of Housing Development
Executive Office of Communities
and Development
Room 1404
100 Cambridge Street
Boston, MA 02202
(617) 727-5884

FARM LABOR HOUSING
FEDERAL-FMHA

This program is part of the Farmers Home Administration's Rural Housing assistance program. The grants and loans made under this program are for the construction, rehabilitation, and related development of housing for farm laborers. The housing is kept simple and low-cost and can be built on an individual farm or in a location that provides housing for a group of laborers. Funding for the program is not allocated to the State office, but rather is administered directly from Washington, D.C. The Farmers Home Administration's Massachusetts office helps in the preparation and submission of applications. Anyone interested in building this type of housing should contact the State office for assistance.

WHO APPLIES:

Individual Farmers, family farm cooperatives or partnerships and associations of farmers can apply for loans. State agencies, public and private non-profit organizations and local government and associations of farm workers can apply for grants as well as loans.

CONTACT:

John Cooper, Chief of Rural Housing Division
Farmers Home Administration
451 West Street
Amherst, MA 01002
(413) 253-3471

THE GNMA-BACKED SECURITIES PROGRAM

Program Overview
Federal - HUD

The Government National Mortgage Association (GNMA) through the Mortgage-Backed Securities Program guarantees privately issued securities backed by pools of mortgages. Holders of the securities (the investors) receive a "pass-through" of the principal and interest payments on the pool of mortgages, less amounts to cover servicing of costs and certain GNMA fees. The GNMA guaranty assures the registered holder of the security certificate of receiving the timely payment of scheduled monthly principal and interest and of certain prepayments and early recoveries of principal on the underlying mortgages. If borrowers fail to make timely payments on the mortgage, under the "modified pass-through" approach, the securities issuers must make timely payments to the registered holders, using their own resources.

The Mortgage-Backed Securities Program provides a means for channeling funds from the Nation's securities markets into the housing market. The U.S. Government full faith and credit guaranty of securities makes them widely accepted in those sectors of the capital markets that otherwise would not be likely to supply funds to the mortgage market. The funds raised through the securities issued are used to make residential and other mortgage loans. Through this process, the program serves to increase the overall supply of credit available for housing and helps to assure that this credit is available at reasonable interest rates. Statutory authority for the program is provided in Section 306(g) of the National Housing Act.

It authorizes GNMA to guarantee the timely payment of payment of principal and interest on securities that are based on and backed by a trust or pool composed of mortgages which are insured or guaranteed by the Federal Housing Administration (FHA), the Farmers Home Administration (FmHA), or the Veterans Administration (VA). GNMA guaranty of mortgage-backed securities is backed by the full faith and credit of the United States.

CONTACT:

GNMA Services Division
Room 6210
U.S. Department of HUD
451 Seventh Street, S.W.
Washington, D.C. 20410-9000

HOUSING ABANDONMENT

OFFICE OF COMMUNITY ECONOMIC DEVELOPMENT
STATE

OCED's Housing Abandonment Program targets residential properties which are partially or totally vacant deteriorated or tax delinquent. Grants are awarded to community-based or tenant organizations or municipal agencies to cover such front-end costs as emergency repairs, predevelopment work or interim management. Through these activities, the Housing Abandonment Program seeks to prevent abandonment and stimulate rehabilitation of abandoned or deteriorated buildings in economically depressed areas.

WHO APPLIES:

Community based or tenant organizations, municipal agencies and court appointed receivers. Proposals are due the first of every month. For FY 90, proposals are accepted on an ongoing basis until December 29, 1989 or until program funds are exhausted.

CONTACT:

Jim Canavan, Deputy Director for Office of Community Economic Development
Executive Office of Communities and Development
Office of Community Economic Development
100 Cambridge Street, Room 1103
Boston, MA 02202
(617) 727-7004

HOUSING FOR PEOPLE WITH SPECIAL NEEDS

Chapter 689

STATE-EOCD

The Chapter 689 program is a forerunner in the development of housing for people with special needs in the nation. This program has three proto-type development options. They are a shared house, a shared apartment, and an individual apartment. These options permit flexibility in the type of non-elderly citizens served, with special needs, including both the mentally and the physically disabled.

In addition to increasing the overall supply of accessible housing for low-income handicapped citizens, the Chapter 689 program is intended to promote equal housing opportunities in communities throughout the State, both in those cities and towns where handicapped programs are not available and in those where there is a limited supply of inexpensive rental housing.

Because of the diversity of urban, rural and suburban housing authorities and the specific requirements of people with special needs, the development options will be flexible to suit the needs of the community as well as the programmatic needs of the sponsor.

CONTACT:

Roberta Strongin
Special Needs Housing Coordinator
Executive Office of Communities and Development
100 Cambridge Street
Boston, MA 02202
(617) 727-5884

LOW-INTEREST REHABILITATION LOANS

Section 312
FEDERAL-HUD

This program, administered through local governments, provides rehabilitation loans to property owners at low interest, so that they may rehabilitate their properties to meet local code standards and do other repairs. The properties must be located in certain target areas undergoing concentrated improvements such as Community Development or Neighborhood Strategy Areas. Rehabilitation of single-family, multi-family, mixed-use structures, or commercial properties is allowable under the program.

WHO APPLIES:

Owners of properties located in the target areas may apply for these loans through their local Community Development Office which is generally located in the respective City or Town Hall.

CONTACT

You are advised to contact the city or town community development office to ascertain the availability of funds in your community or:

James Phieffer, Program Manager
Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Boston Federal Building
10 Causeway Street, 3rd Floor
Boston, MA 02222
(617) 565-5357

LOW-INTEREST REHABILITATION LOANS AND GRANTS FOR RESIDENTIAL PROPERTY

Rental Rehabilitation Program (Section 17)
Federal - HUD

This Program, administered through local governments in eligible towns, provides either below market loans or grants to investors to upgrade rental housing units that will be available to section 8 Certificate or Housing Voucher holders. There are no rent limits but the property must be located in neighborhoods where the median income is less than 80 percent of the median income of the area. Assistance, whether in the form of a low interest loan or grant as determined by the local government administrating agency, cannot exceed 50 percent of the cost of rehabilitation or the per unit amounts set by the program, whichever is less. Properties must meet local codes after rehabilitation but repairs do not have to be for code violations. Owners must also agree not to convert to condominiums for 10 years.

Who Applies:

Property owners submit applications to the local Community Development Office which is generally located in the respective city or Town Hall. HUD provides an annual allocation to individual cities.

CONTACT:

Contact the city or town Community Development Office to ascertain if funds are available in your town and the form of assistance or:

James Phieffer, Program Manager
Office of Community Planning and Development
U.S. Department of Housing & Urban Development
Boston Federal Building
10 Causeway Street
Boston, MA 02222
(617) 565-5357

MASSACHUSETTS HOUSING FINANCE AGENCY

STATE-MHFA

The Massachusetts Housing Finance Agency (MHFA) is a self-supporting state agency charged with financing and promoting the construction, purchase, and/or rehabilitation of housing in the Commonwealth for people of varied economic means.

The Agency accomplishes this by selling tax-exempt and taxable securities to private investors, and loaning sale proceeds to limited-profit developers, non-profit developers, and individuals, at interest rates which are lower than those available through conventional lenders.

WHO APPLIES:

These loans are provided for:

- the construction or the construction and permanent financing of new or rehabilitated mixed-income apartments or cooperatives in which a minimum of 20-25% of the units are reserved for low-income households;
- the purchase of newly-constructed single-family homes or existing one to four unit properties, in cooperation with participating Massachusetts lenders; and
- the rehabilitation or improvement of existing one to four family owner occupied homes.

Through these loan programs, the Agency has channeled over $3.4 billion of private sector investment into housing efforts across the state.

CONTACT:

Public Information Department
Massachusetts Housing Finance Agency
50 Milk Street
Boston, MA 02109
(617) 451-3480

MODERATE REHABILITATION

Section 8
FEDERAL-STATE/HUD-EOCD

This program is designed to encourage a landlord to improve his units by the guarantee of Section 8 rental assistance at an increased level in return for a negotiated level of improvements to bring the property up to minimum standards. The Section 8 guarantee will run for a term of 15 years during which the unit must be occupied by an eligible low-income family. These funds are administered through the local housing authority, or through a local community development agency under contract with the Executive Office of Communities and Development (EOCD).

WHO APPLIES:

Building owners in the designated communities should contact their local housing or Community Development office. Communities should contact EOCD.

CONTACT:

Local Housing Authority or
Community Development Department

or

William Riley
Bureau of Rental Assistance
Executive Office of Communities
and Devlopment
100 Cambridge Street
(617) 727-7132

or

Stephan Wasko, Director
Housing & Development Division
U.S. Department of HUD
10 Causeway Street, 3rd Floor
Boston, MA 02222
(617) 565-5154

MORTGAGE INSURANCE

SECTIONS 221 (d) (3) AND (d) (4)
FEDERAL-HUD

This program provides mortgage insurance to finance rental or cooperative multifamily housing for moderate-income households. The Department of Housing and Urban Development insures mortgages made by private lending institutions to help finance construction or substantial rehabilitation of multifamily (five or more units) rental or cooperative housing for moderate or displaced families, row, or walk-up, or elevator structures. Currently, the principal difference between the programs is that HUD may insure up to 100 percent of the total project cost under section 221(d)(3) for non-profit and cooperative mortgages but only up to 90 percent under section 221 (d)(4) irrespective of the type of mortgage.

WHO APPLIES:

Sections 221 (d)(3) and 221 (d)(4) mortgages may be obtained by public agencies, non-profit, limited-dividend or cooperative organizations, private builders or investors who sell completed projects to such organizations. Additionally, Section 221 (d)(4) mortgages may be obtained by profit motivated sponsors. Grant occupancy is not restricted by income limits.

CONTACT:

Stephen Wasko
Housing & Development Division
U.S. Department of HUD
10 Causeway Street, 3rd Floor
Boston, MA 02222
(617) 565-5154

NEIGHBORHOOD REINVESTMENT

LOCAL - FEDERAL

The Neighborhood Reinvestment Corporation, successor to the Urban Reinvestment Task Force, is a nonprofit public corporation with direct Congressional funding.

Neighborhood Reinvestment offers proven revitalization programs to cities and neighborhoods. The organization also looks for new, promising tools and strategies which can be made available to community improvement efforts throughout the country.

The Corporation's primary mission is to assist local communities in revitalizing declining neighborhoods for the benefit of current residents. That goal is achieved primarily through the development and support of Neighborhood Housing Services (NHS) programs.

Neighborhood Reinvestment acts as a catalyst, stimulating the creation and development of public-private-resident partnerships. Through these partnerships, neighborhoods in need of assistance are being revitalized and people's lives improved.

Each NHS is a locally-initiated and funded private, nonprofit, corporation. It is governed by a working partnership of residents, business leaders, and government representatives, each contributing the resources at his or her disposal. The goal is to create a stable neigborhood characterized by a healthy real estate market, sound housing and other physical conditions, a positive community image and a core of neighbors committed to, and capable of, managing the continuing health of their neighborhoods once NHS phases out.

NHS offers comprehensive housing rehabilitation services to residents of the neighborhood and has had significant results in restoring confidence and improving the neigborhood. These services include rehabilitation counseling, construction assistance, financial counseling and loan referrals, as well as one of the most essential elements in the NHS program, the revolving loan fund. This fund is used to make loans to residents who not not meet normal, conventional credit standards. The fund provides every resident with the opportunity to improve their home. NHS now serves over 200 neighborhoos containing over 650,000 dwelling units in over 135 cities.

Over the past decade, Neighborhhod Reinvestment has developed a range of complementary revitalization stategies, each targeted to fill a need still unmet in many neigborhoods extending beyond basic NHS service delivery. As resources permit, Neighborhood reinvestment makes these complementary strategies available to individual NHSs along with grant assistance and the training and technical assistance needed to maximize their effectiveness.

These strategies include:

The Apartment Improvement Program - revitalizing and preserving neigborhoods with multi-family housing.
Owner-Built Housing - effectively address the shortage of affordable homeownership opportunities for moderate-income families.
Problem Property Strategies - designed to address specific barriers to the revitalization process through the REhab and Sale Program and the Homeownership Promotion Program.
Neighborhood Commercial Management - assessment and analysis of commercial districts and markets; partnership organization; strategy development; and program implementation.
Mutual Housing Association - offering its membrts a housing option "between homeownership and rental." and enabling low and moderate-income families to acquire a quality home at affordable costs.

With increasing skill, Neighborhood Reinvestment and NHS partnerships are building on achievements throughout the county, the result is readily apparent in the enhanced quality of neighborhood life.

For further information on programs in Massachusetts:

CONTACT:

Neighborhood Reinvestment
131 State Street, Suite 416
Boston, MA 02109
(617) 223-7675

Springfield NHS
111 Wilbraham Road
Springfield, MA 01109
(413) 739-4737

Boston NHS
33 Harrison Ave.
Boston, MA 02111
(617) 350-7071

Uphams Corner NHS
584 Columbia Road, P.O. Box 700
Dorchester, MA 02125
(617) 282-2900

Chelsea NHS
162 Shawmut Street
Chelsea, MA 02150
(617) 889-1375

Quincy NHS
444 Washington Street
Quincy, MA 02169
(617) 770-2227

Lawrence NHS
154 Oxford Street
Lawrence, MA 01841
(617) 682-9010

Mission Hill NHS
1530 Tremont Street
Boston, MA 02120
(617) 442-5449

Mt. Bowdoin/Glenway NHS
7 Bowdoin Street
Dorchester, MA 02124
(617) 265-7934

Cambridge NHS
678 Massachusetts Ave., Room 203
Cambridge, MA 02139
(617) 491-1545

PROPERTY IMPROVEMENT LOAN INSURANCE
Title I

FEDERAL-HUD

This program provides loan insurance to lending institutions for loans made to eligible owners or renters. The loans can be used to finance alterations and improvements to homes and non-residential structures. This program can be used effectively in conjunction with local CDBG property rehabilitation programs. Loans are also used to bring units into compliance with HUD minimum property standards for rehabilitation. Maximum loan amounts are $17,500 for single family units, or $8,750 per unit for multi-family structures up to a maximum of $43,750. (See next page: Basic Characteristics of Title I)

WHO APPLIES:

Any credit worthy property owner or tenant with a lease at least six months longer than the term of the loan may apply for this assistance.

CONTACT:

Any FHA-HUD approved lending institution.

or

Mortgage Credit Branch
U.S. Department of Housing and Urban Development
10 Causeway Street
Boston, MA 02222-1092
(617) 565-5146

BASIC CHARACTERISTICS OF TITLE I

Title I is oriented toward conventional lending practices of the private sector more than any other Federal housing program. Loan processing and credit determinations are done by participating financial institutions, and lenders are encouraged to use their normal credit standards in making decisions on individual loans. In fact, the Title I Handbook required lenders to "find borrowers to be solvent with reasonable ability to pay the Obligation", and in other respects (to be) a reasonable credit risk.

Normally, the processing of Title I loans takes one week or less. Unlike other Federal housing programs, HUD does not review individual loans at the time of approval, except when the amount of the loan exceeds $17,500. Such applications involve multi-unit structures and must be sent to the local HUD office for prior approval.

The lending institutions originate and service Title I loans from their own funds and collect all payments. HUD's role is to provide insurance against loan defaults. In return for lender payment of an insurance premium amounting to 1/2 percent of the net proceeds of each loan, the Federal Government established an "insurance reserve" for every participating lender. Financial institutions can draw on this reserve to defray 90 percent of any losses due to default.

Title I loans differ from other lending tools, particularly conventional and federally-insured mortgages. The property improvement loans cannot be used for purchase of property, and refinancing of existing indebtedness is limited to cases where there are preexisting Title I obligations. Eligibility for Title I loans is not based on the appraised value of the property to be improved or mandated HUD standards. Rather, loan decisions are based on the credit-worthiness of applicants as determined by the lending institutions. Such standards primarily consider an applicant's ration of outstanding indebtedness and/or housing costs (including the projected new obligation) to total income. Previous credit history, as ascertained through a credit check by the lender, is also an important factor in loan decisions.

Title I loans in excess of $2,500 must be secured by a recorded lien on the improved property. This security can fall in line of priority after existing encumberances on the property, i.e., in a second or third position. Federal regulations pertaining to the lien do not mandate a formal property appraisal, and most participating lenders do not make such appraisals for Title I loans. A title search need not be done unless required by State law.

The insured loans shall bear interest at a rate agreed upon between the borrower and the financial institution. Many lenders participate in local housing rehabilitation programs that provide property improvement loans at rates below the current lending rate.

HUD regulations require lenders to monitor construction progress on Title I Loans. The lender or its agent shall conduct an on-site inspection on any property improvement loan where the principal obligation is $7,500 or more and on 10 percent of its property improvement loans where the principal obligation is less than $7,500. The inspection shall be conducted after receipt of the completion certificate.

CLASS I - EXISTING STRUCTURES		Presently occupied; formerly occupied; or damaged by deterioration, fire or other casualty. If loan is over $600 net: completed for use, new residential --completed and occupied for 90 days. Non-residential--completed and must have a definite use.			
	STRUCTURE	IMPROVEMENT	MAX. MATURITY	MAX. $	MAX INT.
1(a)	Completed homes, apts. hotels, office bldgs. hospitals, orphanages, colleges, churches Manufacutring industrial plants, mobile homes (immobile), taxed as real property see HUD-4700.1, 1-7a)	Repairs, alterations or improvements that substantially improve the basic liveability or utility: enlargement, flooring, porch roof, plumbing, wiring painting, plastering, heating systems, landscaping, installed sprinklers, sidewalks, curbs, fences, drives, septic tanks, wells...built-in kitchens, carpeting (4700.1, 1-7)	15 yrs.	$17,500	%
(b)	Dwelling for two or more families	Alteration, repairs, improvement of existing structure used or to be used as dwelling for 2 or more families	15 yrs +$17,500 32 days	$ 8,750 unit max. $43,750	%

CLASS II - New Structures

	STRUCTURES	IMPROVEMENT	MAX. MATURITY	MAX. $	MAX. INT.
2(a)	Garages, service bldgs., gasoline stations, industrial or commercial bldgs.	Construction of a new structure to be used exclusively for other than residential or agricultural purposes	15 yrs. + 32 days	$17,500	%
2(b)	Barns, service bldgs. bunk houses for itinerant farm laborers	Construction of a new nonresidential structure to be used in whole or in part for agricultural purposes	Unsec'd. 12 yrs. + --------- Secured 15 yrs + 32 days	$17,500	%

This is a guide only: specific rulings on eligible improvements (HUD-4700.1,1-5)

RENTAL ASSISTANCE - EXISTING HOUSING

Section 8
FEDERAL-HUD

This rental assistance program is federally funded and awarded through the U.S. Department of Housing and Urban Development. The two different components of the program are the Section 8 Certificates guaranteeing an owner the difference between one month"s rent, (which rent cannot exceed the prescheduled Fair Market Rent) and 30% of the tenant's income, and Section 8 Vouchers providing the tenant a fixed subsidy, leaving the tenant free to rent a unit at any rental cost. Annually the HUD Area Office distributes its allotment of Section 8 Certificate and Vouchers to local housing authorities and to the Executive Office of Communities and Development (EOCD). The Certificates and Vouchers are then assigned on the basis of waiting lists, to an eligible,very low-income family for use in obtaining housing. Some of these rental subsidies are administer through local housing authorities, and some by EOCD through regional non-profit groups. The procedures are not complicated, and the end result is that after an approved unit has been selected, approved for occupancy, and all the agreements signed, the landlord receives the monthly subsidy from the administering agency and the balance in rent is then paid by the tenant. The term of the Certificate and Voucher, provided the income limitations are not exceeded, is usually 5 years.

WHO APPLIES:

Any local housing authority and EOCD can respond to an annual notice of funding availability.

CONTACT:

Mary Ann Morrison, Director
Bureau of Section 8 Rental Assistance
Bureau of Rental Assistance
Executive Office of Communities and Development
100 Cambridge Street
Boston, MA 02202
(617) 727-7132

Richard Kluck, Director
Management Division/Office of Public Housing
U.S. Department of Housing and Urban Development
10 Causeway Street
Boston, MA 02222
(617) 565-5217

RENTAL ASSISTANCE PROGRAM

CHAPTER 707
STATE-EOCD

This program provides funding to local housing authorities or non-profits under contract with EOCD. These agencies in turn help eligible low-income families and individuals locate housing, and contract with the landlord for the rental subsidy. An important element of this program is the targeting of allocations as part of neighborhood improvement programs, providing subsidies for fixed income private market housing projects, and developing residential service programs in affiliation with the Executive Office of Human and its agencies (Department of Mental Health, Depatment of Social Services, ect.). The program also has a rehabilitation work conducted..

WHO APPLIES:

Local housing authorities and designated non-profit housing corporations.

CONTACT:

Ann O. Anderson
Bureau of Rental Assistance
Executive Office of Communities and Development
Room 1406
100 Cambridge Street
Boston, MA 02202
(617) 727-7132

RURAL RENTAL HOUSING

FEDERAL-FMHA

This Farmers Home Administration (FmHA) program provides mortgage financing for the development of rental housing in communities with a population of less than 10,000, and those towns between 10,000 and 20,000 not located in a Standard Metropolitan Area or contiguous to a larger urban center. Many of Massachusetts' smaller urban centers qualify in this sense as "rural." Applications are prioritized by the Farmers Home Administration to projects in areas or communities having a higher percentage of substandard housing; projects in areas or communities having the lowest median per capita income; located furthest from urbanized areas; and communities that do not currently have subsidized rental housing. Generally, projects do not exceed 40 units. An eligible borrower may receive an interest credit subsidy which may reduce the interest rate to as low as 1%. This interest rate reduction is passed on to eligible tenants in the form of reduced rental rates.

CONTACT:

John Cooper, Chief of Rural Housing Divsion
Farmers Home Administration
451 West Street
Amherst, MA 01002
(413) 253-3471

LABOR FORCE TRAINING AND PLACEMENT ASSISTANCE

Both financial assistance and direct training activities are offered to expanding firms in Massachusetts. It is important to explain that most of the direct training programs are decentralized at the local or regional level. Federally financed training, cash reimbursements and practical training services may be obtained through local or regional agencies. Listed below are the types of assistance which may be available to an individual firm depending on the needs of that firm.

General information and explanations may be obtained from the Massachusetts Department of Commerce in Boston, Massachusetts.

BAY STATE SKILLS CORPORATION

STATE-BSSC

The Bay State Skills Corporation (BSSC) is a funding organization, created by the State Legislature and funded with $3 million annually. The Corporation's main objective is to increase industry responsive education and skills training programs through the Commonwealth.

The quasi-public corporation was created:

- to encourage and facilitate the formation of comprehensive cooperative relationships among business, industry, labor, government and education and thereby develop and expand programs of skills training that are consistent with employment needs.
- to provide grants to educational and training institutions to fund skills training programs consistent with employment needs, to be matched with equal private sector support.
- collect and disseminate information on present and future employment needs as well as the availability of skills training and education in these areas.

The Corporation funds a diversity of skills training programs at all levels - from entry level to advanced from upgrading in a mature industry occupation to retraining for new technologies. Applications for grants are reviewed quarterly.

BSSC works to increase the availability of skilled workers in Massachusetts by awarding grants to education and training institutions. In order to receive BSSC support, these institutions must:

- be located in Massachusetts and be non-profit institutions;
- offer programs of specific skills training that meet demonstrated private sector employer need.
- link up with one or more private companies, which have both expressed a need for skilled people and are willing to provide at least one dollar of private match or in kind services and equipment for every dollar sought from BSSC.

The educational institution enters into an agreement with the participating private companies. These companies are under no obligation to hire the men and women they help to train but are encouraged to compete for them in the employment marketplace.

BSSC has two additional programs described on the following pages: Displaced Home Makers and Training For Welfare Recipients -ET choices.

WHO APPLIES:

Individual companies or a consortia of employers that cannot find enough skilled people such as technicians, machine operators, engineers, clerical workers, laboratory assistants, and others. Educational institutions which wish to train and educate people to meet direct industry personnel shortages.

CONTACT:

Susan K. Moulton
Executive Director
Bay State Skills Corporation
101 Summer Street
Boston, MA 02110
(617) 292-5100

BAY STATE SKILLS CORPORATION

Displaced Homemakers

The Bay State Corporation is a multi-faceted agency addressing the need for a skilled workforce in Massachusetts. One BSSC component which provides some of the skilled workers is the Displaced Homemaker Program.

Twelve years ago, activist Tish Sommers coined the term "displaced homemaker" to represent a phenomenon that had reached crisis proportion. Displaced Homemakers are persons who, because of a spouse's death, disability, divorce or loss of public assistance, must enter the workforce in order to pay the bills and feed the kids. There are an estimated 11 million such persons, mostly women, in the United States today, more than 150,000 of whom live in Massachusetts.

Since 1979, when state funds were first appropiated, the Massachusetts Displaced Homemaker Program has grown into a statewide program called the Bay State Centers for Displaced Homemakers. There are 5 key regions and 25 offices providing counseling, workshops, skills training, education programs and job placement assistance. In 1987 Displaced Homemaker services, with $898,162, provided the path to economic self sufficiency for more than 1,600 individuals.

CONTACT:

Susan K. Moulton
Executive Director
Bay State Skills Corporation
101 Summer Street
Boston, MA 02110
(617) 292-5100

BAY STATE SKILLS CORPORATION

Training for Welfare Recipients - ET CHOICES

Since 1983, BSSC has been part of the state's ET CHOICES Program to develop skills training programs that enable recipients of Aid to Families with Dependent Children become economically self-sufficient. BSSC training programs for welfare recipients include both marketable skills training and effective support systems. In FY '87, BSSC funded 14 ET CHOICES programs and trained 335 individuals with grants of more than $812,000. Over its four years of participation in the ET CHOICES program, BSSC has awarded almost $2.5 million to contractors who have served more than 1,200 welfare recipients.

The service sector in Massachusetts is experiencing exceptional growth. A number of entry-level skills training programs in the secretarial, health, electronics and property management fields were offered to help meet the demand for trained personnel. Private sector donations to the BSSC ET programs over the past four years exceeded $1,350,000, for a match of 54%. (The required match is 20%) These corporate contributions have built strong business/ education partnerships for the programs.

Supportive services are an integral part of BSSC's ET CHOICES skills training programs. In an effort to address the needs of the whole person, some innovative services have been put in place. For example, the Worcester YWCA provides day care slots for children of program participants. This YWCA also encourages use of their fitness center and has given full fitness center memberships to the first graduating class.

Another program, Somerville Center for Adult Learning Experiences (SCALE) provides extensive family counseling and post job placement workshops are scheduled monthly and often are delivered by private sector employers to assist in making a smooth transition into the world of work and to provide career advancement guidance. Other BSSC ET CHOICES programs also incorporate supportive services to address the numerous issues faced by the program participants.

CONTACT:

Susan K. Moulton
Executive Director
Bay State Skills Corporation
101 Summer Street
Boston, MA 02110
(617) 292-5100

CARAVAN for Communters, Inc.

CARAVAN for Commuters, Inc. designs and implements commuter mobility programs for employers, industrial developers, public and private organizations and local communities. Working on an individual case basis, CARAVAN tailors these Programs to meet the commuter transportaion needs of each specific client.

Funded by the Massachusetts Department of Public Works, CARAVAN is a private, non-profit corporation which provides technical assistance in program development, promotion, organization and implementation of commuter mobility programs free of charge to clients throughout Massachusetts.

CARAVAN's corporate and community programs include:

Employment Recruitment: CARAVAN's vanpools expand employers' effective recruiting range by providing new hires with convenient and economical transportation to the worksite. Vanpools have been successfully applied to many recruiting situations throughout the state including transporting seasonal workers and connecting skilled laborers with a waiting job market outside of their hometown area.

Corporate Relocation: CARAVAN provides employers moving some or all of their personnel to new sites with concrete solutions to logistical commute problems inherent in any relocation. Relocation programs can include company-wide rideshare campaigns to facilitate carpooling, vanpool formation, shuttles and subscription bus service to new sites.

RideSource: CARAVAN's computerized ridematching system matches employers with similar commuting routes and provides complete vanpool, carpool and mass transit information. The RideSource program can be installed on any IBM PC (XT/AT) or compatible, at the worksite with no change to users. CARAVAN also provides training and technical support after the system is operational. RideSource is easily applied to single-site companies, industrial park settings and individual communities.

Multi-Modal Links: CARAVAN's vans may also be used as shuttles connecting companies with mass transit stations. Shuttles are particularly suited to suburban settings which are often isolated from bus, train and subway extensions.

Who Works With CARAVAN: Private Corporations, Public/Private Training and Employment Agencies, Industrial Developers, Residential Developers, Town Officials, Individuals or Groups of Commuters and Division of Employment Security.

CONTACT:

Kay Powers, Manager
Marketing & Communications
CARAVAN for Commuters, Inc.
Suite 2180
Ten Park Plaza
Boston, Ma 02116
(617) 973-7189

THE OFFICE OF TRAINING AND EMPLOYMENT POLICY

The Department of Employment and Training (D.E.T.) is Massachusetts' lead Jobs Agency, providing job seekers and employers with quality employment and training services. D.E.T. services include job counseling, job search workshops, taining opportunities, access to over 18,000 computerized job and training opportunities, unemployment insurance benefits and more. For employers, D.E.T. pre-screens and refers qualified candidates to fill their job openings as well as provides labor market information for their business planning.

Since a 1988 merge with the Office of Training and Employment Policy, D.E.T. also administers training programs under the federal Jobs Training Partnership Act (JTPA). Funding is distributed through grants to training programs in 15 Service Delivery Area (SDAs) across the state for developing and conducting ongoing training.

Under state legislation, local employment and training activities, including SDA programs, are overseen by Regional Employment Boards (formally known as Private Industry Councils). These Regional Employment Boards (REBs)-- comprised of representatives from business, local government, education and labor-- actively seek business' voice in planning services that match industry needs and worker skills.

CONTACT:

Massachusetts Department of Employment and Training
External Affairs
19 Staniford Street
Boston, MA 02114
General Information:
(617) 727-8660

Foundations

There are many foundations operating both statewide and nationwide that provide assistance to communities, organizations, and occasionally individuals, involved in community planning and economic development.

The Foundation Directory, published by the Foundation Center in New York is the standard reference for information about these nongovernmental grantmaking organizations, and should be used by entities wishing to explore this resource for funding.

The following provides a representative sample of Massachusetts and national foundations involved in economic development.

The Acushnet Foundation
Acushnet Rubber Division
744 Belnille Avenue
New Bedford, MA 02745
(617) 997-2811

Trust established in 1953 in Massachusetts.
Donor(s): Acushnet Company.
Purpose and Activities: Primarily local giving for community funds, hospitals, higher education, and youth agencies. No grants to individuals.

Contact:

Richard B. Young, Trustee.
Grant Application Information: Initial approach by letter or telephone; submit 1 copy of proposal; board meets as required.

Bird Companies Charitable Foundation, Inc.
One Dedham Place
Westwood, MA 02090
(617) 461--1414
Incorporated in 1967 in Massachusetts.
Donor(s): Bird & Son, Inc., Bird Machine Company, Inc.
Purpose and Activities: Broad purposes; grant emphasis on community development and natural resources. Additional consideration to projects related to corporate locations as determined by local committees. Emphasis on seed monies. No grant to individuals.

Contact:

Joseph Griegelezich, Executive Director
Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter, telephone, or full proposal in 1 copy; board meets quarterly in February, May, August, and October.

Cabot Corporation Foundation, Inc.
950 Winter St.
Waltham, MA 02254
(617) 890-0200

Incorporated in 1953 in Massachusetts.
Donor(s): Cabot Corporation
Purpose and Activities: Broad purposes; emphasis on science & technology education, community improvements, public policy, international culture.. Primarily local giving in communities near Cabot corporate installations in Texas; Douglas County, Illinois; St. Mary Parish and Evangeline Parish, Louisiana; Kanawha County, West Virginia; Berks County and Reading County, Pennsylvania; Boston and Atlanta. No grants to individuals, for medical or scientific research projects. Report published annually.
Financial Data (yr. ended 9/30/88): Assets, $927,000(M); expenditures, $917,472, 78 grants (high: $65,000; low: $100), exclusive of matching gifts nor its United Way contribution.
Officers: Samuel W. Bodman, President; Louis W. Cabot, Vice President; John D. Curtin, Treasurer, Anthony H. James, Secretary.
Directors: MaryEllen Cabot, Thomas D. Cabot, Dorothy L Forbes

Contact:

Dorothy L. Forbes, Executive Director.
Grant Application Information: Initial approach by telephone or letter; submit 1 copy of proposal; application deadline 1 month prior to meetings; board meets 4 times a year in Decembre, March, June, and September.
Employer Identification No.: 046035227

Fidelity Foundation
82 Devonshire Street
Boston, MA 02109

Trust established in 1965 in Massachusetts.
Donor(s): FMR Corp.
Purpose and Activities: Broad purposes: with emphasis on health, education, community development, and the arts. No grants to individuals.
Financial Data (yr. ended 12/31/86): Assets, $19,924,074 (M); gifts received, $7,776,182; expenditures, $1,064,780, including $951,069 for 297 grants (high: $100,000; low: $100).
Trustees: Edward C. Johnson 3rd, Caleb Loring, Jr., Ross E. Sherbrooke.

Contact:

Anne-Marie Soulliere, Foundation Director, Fidelity Investments
Grant Application Information: Initial approach by full proposal in 1 copy; board meets in June and December.
Employer Identification No.: 046131201

Filene (Lincoln and Therese) Foundation, Inc.
c/o Nutter, McClennen & Fish
One International Place
Boston, MA 02110-2699
(617) 439-2000

Incorporated in 1937 in Massachusetts.
Donor(s): Lincoln Filene
Purpose and Activities: General purposes, including particularly the scientific investigation of the causes of economic distress; grants largely for higher education, music, and the performing arts. Funds largely committed to long-term support of existing projects.
Financial Data (yr. ended 1/31/79): Assets, $6,765,083 (M) gifts received, $82,881; expenditures, $575,208 including $541,650 for 21 grants (high: $100,000; low: $100).
Officers and Directors: John J. Robertson, President John K. P. Stone, III, Secretary-Treasurer; Catherine F. Shouse, Robert M. Ladd

Contact:

John K. P. Stone, III, Secretary.

Grant Application Information: Initial approach by letter; submit 1 copy of proposal preferably in April or October, board meets semiannually in May and November.
Employer Identification No.: 237423946

Ford Foundation
320 East 43rd Street
New York, NY 10017
(212) 573-5000

Incorporated in 1936 in Michigan.
Donor(s): Henry Ford. Edsel Ford.

Purpose and Activities: To advance the public welfare by identifying and contributing to the solution of problems of national and international importance. Grants primarily to institutions for experimental, demonstration, and developmental efforts that are likely to produce significant advances within the Foundation's six major fields of interest: urban poverty and the disadvantaged -- including community and neighborhood self-help initiatives, improvement of secondary education, educational and employment programs for disadvantaged youth and for welfare recipients, child care, health and nutrition services, reduction of street crime and arson, housing rehabilitation, and research on urban problems; rural poverty and resources -- including community-based efforts, national policy planning, income-generating projects, improvement of opportunities for women, the landless, and migrants and management of land and water resources; human rights and social justice -- including civil rights, sex disrimination, and the rights of refugees and migrants; education and culture -- principally support for excellence and equity in higher education and arts programs; international affairs -- analysis, research, dialogue, and public education on such issues as policies affecting immigrants and refugees, arms control and international security, and the changing world economy and U.S. foreign policy; and governance and public policy issues, experimnets in delivering government services, and development strategies of Third World countries.

Financial Data (yr. ended 9/30/86): Assets, $4,758,862,000; expenditures (including grants paid and administrative costs), $244,350,380
Officers: Franklin A. Thomas, President; Barron M. Tenny, Vice President, Secretary and General Cousel; Susan V. Berresford, Vice President; William D. Carmichael, Vice President; John W. English, Vice President; John Koprowski, Treasurer; Diane L. Galloway, Assistant Secretary; Barry Gaberman, Deputy Vice President; John D. Gerhart, Deputy Vice President.
Trustees: Alexander Heard, Chairman; Edson W. Spencer, Vice Chairman; Franklin A. Thomas, President; Rodrigo Botero; Ralf Dahrendorf; Nina G. Garsoian; A. Bartlett Giamatti; Donald F. McHenry; Paul F. Miller, Jr.; William G. Milliken; Donald S. Perkins; Barbara Scott Preiskel; Harriet S. Rabb; Henry B. Schacht; Glenn E. Watts; Thomas H. Wyman.

Contact:

Barron M. Tenny, Secretary

Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter; submit one copy of proposal; board meets quarterly in September, December, March, and June.

International Paper Company Foundation

International Paper Company Plaza
77 West 45th Street
New York, NY 10036
(212) 536-5986

Incorporated in 1952 in New York.
Donor(s): International Paper Company.
Purpose and Activities: Broad purposes; grants primarily for model projects in Company communities and selected programs with potential national impact, with focus on pre-college levels of economic and career education, programs for minorities and women's career development, and community and cultural affairs. Operates own program of Aid to Public Secondary Education. No grants to individuals or for endowment funds.
Financial Data (yr. ended 12/31/70): Assets, $13,159,297 (M); gifts received, $2,183,429; expenditures, $2,162,773, including $1,722,714 for 175 grants (high: $406,442; low: $500) and $160,279 for 933 matching gifts.
Officers: F. Lee Foster, President; Sandra L. Kuntz, Gladys F. Waltemade, Vice Presidents; F. Winifred Brown, Secretary; John McDonough, Treasurer.
Directors: William Dodenhoff, Arthur W. Harrigan, Ralph W. Kittle, William L. Lurie, Dana G. Mead, William R. Pollert, John J. Stephens, Gardiner L. Tucker.

Contact:

Sandra L. Kuntz, Vice President, Education Programs; Gladys F. Waltemade, Vice President, Contributions and Administration.
Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter, telephone, or full proposal in 1 copy; application deadline previous summer for next calendar year; board meets in spring, fall and as required.
Employer Identification No.: 136155080

Kendall (The Henry P.) Foundation
126 Federal Street
Boston, MA 02108
(617) 951-2525

Trust established in 1957 in Massachusetts.
Donor(s): Henry P. Kendall family.
Purpose and Activities: General purposes; Arms Control and Peace. No grants to individuals, for building or endowment funds, or special projects.
Financial Data (yr. ended 12/31/79): Assets, $29,591,222 (M); gifts received, $61,789; expenditures, $1,524,379, including $1,321,327 for 88 grants (high: $100,000; low: $100).
Officer: Robert L. Allen, Vice President.
Trustees: Henry W. Kendall, John P. Kendall, John E. Rogerson.

Contact:

Ellen Tierney
Grant Application Information: Initial approach by letter; submit 1 copy of proposal; board meets as required.
Employer Identification No.: 046029103

Lavanburg (Fred L.) Foundation
950 Third Avenue, 30th floor
New York, NY 10022
(212) 371-5060

Incorporated in 1927 in New York.
Donor(s): Fred L. Lavanburg
Purpose and Activities: Major objectives related to the improvement of low and middle income housing and design, the development of neighborhood, city and regional planning, and the movement to resolve problems associated with family and community living. No grants to individuals, for building or endowment funds, or operating budgets. Foundation initiates most of its own programs.
Financial Data (yr. ended 12/31/86): Assets, $1,708,031 (M); expenditures, $164,661, including $105,270 for 7 grants (high: $30,000; low: $5,000).
Officers: Oscar S. Straus, President; Rowley Bialla, Secretary; Richard M. Rossbach, Treasurer; John T. Barnes, Asst. Treasurer.
Trustees: Mrs. Myron S. Falk, Jr., Leonard A. Hockstader II, James A. Kingsland, Oscar S. Schaier, Jr., Roger Schafer, Anne H. Lindgren, Alfred Ogden, Oscar S. Straus III, Harold S. Williams
Honorary Trustee: Chloethiel W. Smith, F.A.I.A.

Contact:

Oscar S. Straus, President.
Grant Application Information: Initial approach by letter or full proposal in 1 copy; submit proposal preferably in the fall; board meets as required.

Lilly Endowment, Inc.
2801 North Meridian Street
P.O. Box 88068
Indianapolis, IN 46208
(317) 924-5471

Incorporated in 1937 in Indiana.
Donor(s): J. K. Lilly, J. K. Lilly.
Purpose and Activities: "The promotion and support of religious, educational or charitable purposes." Giving emphasizes projects that depend on private support, with a limited number of grants to government institutions and tax-supported programs. Special interest in innovative programs that work to produce positive changes in human society, promote human development, strengthen independent institutions, encourage responsive government at local, state, and national levels, and improve the quality of life in Indianapolis and Indiana. Grants for health care, biological and physical science research, housing, transportation, environment, mass media, or population; rarely for building or endowment funds, scholarships, or for more than a two-year period. No grants to individuals. Report published annually.
Financial Data (yr. ended 12/31/79): Assets, $812,877,257 (M); expenditures, $24,345,807, including $20,703,626 for 321 grants (high: $5,000,000; low: $5,730).
Officers: Thomas H. Lake, Chairman and President; Richard O. Ristine, Executive Vice President and Secretary; Robert A. Johnson, Executive Vice President and Treasurer; Laura A. Bornholdt, Vice President, Education; Robert W. Lynn, Vice President, Religion; James T. Morris, Vice President.
Directors: Byron P. Hollett, Eli Lilly II, Eugene F. Ratliff, Margaret Chase Smith, Herman B. Wells, Richard D. Wood.

Contact:

Richard O. Ristine, Executive Vice President.
Grant Application Information: Program policy statement and grant application guidelines available; initial approach by letter; submit 1 copy of proposal; board meets 5 times a year in February, April, June, September, and November.
Employer Identification No.: 350868122

Mott (Charles Stewart) Foundation
1200 Mott Foundation Building
Flint, MI 48502-1851
(313) 238-5651

Incorporated in 1926 in Michigan.
Donor(s): Charles Stewart Mott, and family
Purpose and Activities: The Mott Foundation has long been interested and involved in improving the quality of life through community self-improvement - from within neighborhoods to within city hall, through education, social welfare, economic development and environmental management. That concern is still evident today in the Foundation's grantmaking interests and priorities. No grants to individuals or for building or endowment funds. Report published annually.
Our current activities are focused in eight major national areas:
- At-risk youth, including adolescent pregnancy.
- Community education
- Community foundations and other philanthropic issues
- Economic development and neighborhood revitalization
- Employment and training
- Environment and conservation
- Historically black colleges
- Social welfare

In addition, we fund a variety of activities in our home community, Flint, Michigan.

- Financial Data: (yr. ended 12/31/88): Assets, $838,815,760 (M); $33,787,928 for 324 grants (high: $2,400,000; low $1000).
Officers: William S. White, Chairman and President; Willard J. Hertz, Vice President; Robert E. Swaney, Chief Investment Officer; Richard K. Rappleye, Secretary-Treasurer.
Trustees: Marjorie Powell Allen, Jr., Charles B. Cummings, Maryanne Mott Meynet, C.S. Harding Mott, II, Willa B. Player, John W. Porter, Harold P. Rodes, George L. Whyel. William H. Piper., Alonzo A. Crim

Contact:

Jack C. Becker, Assistant Controller.
Grant Application Information: Program Statement and grant application guidelines available; initial approach by letter; board meets quarterly beginning in March.
Employer Identification No.: 381211227

Norman Foundation, Inc.
215 East 62nd Street
New York, NY 10021
(212) 759-7185

Incorporated in 1935 in New York.
Donor(s): Aaron E. Norman, and directors of the Foundation.
Purpose and Activities: Broad charitable purposes; major interests include the protection of civil rights and civil liberties, and, in general, broadening and improving the quality of citizen participation particularly in the economic processes of American communities. No grants to building and endowment funds, to individuals, or to provide ongoing support for programs which are not essentially innovative or demonstrative or for organizations having broad public support. No grants for films, publications, conferences, or broadcasting; no funds for research, scholarships, or fellowships. Report published triennially.
Financial Data (yr. ended 12/31/79): Assets, $6,045,105 (M); gifts received, $5,000; expenditures, $464,383, including $380,000 for 78 grants (high: $32,500; low: $100).
Officers: Andrew E. Norman, Chairman and Treasurer; Frank A. Weil, President; Lucinda W. Bunnen, Phoebe W. Franklin, Vice Presidents; Nancy N. LaSalle, Secretary; Jody Adams Welsbrod, Program Director.
Directors: Andrew D. Franklin, Deborah W. Harrington, Abigail Norman.

Contact:

Jody Adams Welsbrod, Program Director
Grant Application Information: Program policy statement and grant application guidelines available in triennial report; initial approach by full proposal in 1 copy; board meets quarterly in February, June, October, and December.
Employer Identification No.: 131862694

Rothschild (Herbert and Nannette) Fund, Inc.
c/o David Tarlow & Co.
60 East 42nd Street
New York, NY 10165

Incorporated in 1948 in New York.
Donor(s): Herbert M. Rothschild, Nannette F. Rothschild, and others.
Purpose and Activities: Broad purposes; general giving, with emphasis on the arts, including museums, community development, and religious associations.
Financial Data (yr. ended 12/31/79): Assets, $1,980,669 (M); expenditures, $201,387, including $183,402 for 139 grants (high: $56,819; low: $10)

Officers and Directors: Judith R. Myrer, Vice President; Roger A. Michaels, Secretary; Robert F. Rothschild, Treasurer; Nannette F. Rothschild.

Rowland Foundation, Inc.
P.O. Box 13
Cambridge, MA 02138

Incorporated in 1960 in Delaware.
Donor(s): Edwin H. Land, Helen M. Land.
Purpose and Activities: Broad purposes. No grants to individuals or for building or endowment funds.
Financial Data (yr. ended 11/30/80): $34,069,295 (M); gifts received, $1,297,500; expenditures, $694,141, including $599,147 for 43 grants (high: $55,000).
Officers: Edwin H. Land, President; Helen M. Land, Vice President and Treasurer; Philip DuBois, Vice President; Julius Silver, Secretary.
Trustees: Jennifer DuBois, Valerie Smallwood.

Contact:

Philip DuBois, Vice President.
Grant Application Information: Initial approach by letter; submit 1 copy of proposal; board meets as required.
Employer Identification No.: 046046756

Stearns (Artemas W.) Trust
c/o Clifford E. Elias
Bon Secours Hospital
70 East Street
Methuen, MA 01844
(508) 687-0151, Ext. 2304

Trust established in 1896 in Massachusetts.
Donor(s): Artemas W. Stearns.
Purpose and Activities: Giving only in the greater Lawrence area, with emphasis on hospitals; for community projects, local colleges and secondary schools. No grants to individuals.
Financial Data (yr. ended 12/31/79): Assets, $1,499,436 (M); expenditures, $115,015, including $100,520 for 23 grants (high: $22,000; low $500).
Trustees: Joseph F. Bacigalupo, Clifford E. Elias, Vincent P. Morton, Jr.

Contact:

Clifford E. Elias, Trustee.
Grant Application Information:
Initial approach by letter or full proposal in 3 copies; submit proposal preferably in January or February; application deadline March; board meets quarterly.

Employer Identification No.: 042137061

USX Foundation, Inc.
600 Grant Street, Room 2640
Pittsburgh, PA 15219-4776
(412) 433-5237

Incorporated in 1953 in Delaware.
Donor(s): United States Steel Corporation, and certain subsidiaries.
Purpose and Activities: Support to higher education, primarily the private sector, including college and university development grants, special purpose grants, project assistance, manpower development grants, and support to educational associations; scientific and research grants, including capital, operating, project, and research support; civic and cultural grants for capital and operating needs; medicine and health grants for research, capital, and operating purposes; and national and community social services support, including united funds, American Red Cross and other voluntary agencies. No grants to individuals. Report published annually.

Financial Data (yr. ended 11/30/88): Assets, $14,279,028; gifts received, $5,000,000; $5,943,870 for 353 grants.

Officers: David M. Roderick, Chairman; Peter B. Mulloney, President; William E. ewellen, Vice President and Treasurer; Gary A. Glynn, Vice President-Investments; W. Bruce Thomas, Vice President, Board of Trustees; Robert M. Hernandex, Vice President and Comptroller; Richard M. Hayes, Secretary.
Trustees: Neil A. Armstrong, Charles A Corry, John H. Filer, David C. Garrett Jr., James A.D. Geier, Thomas C. Graham, David C. Jones, Paul E. Lego, John F. McGillicuddy, Peter B. Mulloney, John M. Richman, David M. Roderick, Mark Shepard, Jr., William E. Swales, W. Bruce Thomas, T. A. Wilson.

Contact:

Grant Application Information: There is no standard form which must be used to apply for a grant from the Foundation. Requests, however must be made directly to the foundation by writing to:

William A. Gregory, Jr., Manager
USX Foundation, Inc.
USX Tower - Room 2640
600 Grant St.
Pittsburgh, PA 15219-4776
(412) 433-5237

Requests for grants must include q copy of the requesting organization's current budget and most recent audited financial report., a description of the project and its goals, the amount requested & estimated cost of the project, statement of sources of other aid & amounts or anticipated aid, name of the executive in charge of organization's activities and Board of Directors or Trustees.

Three deadline dates have been established for requests:
Public/cultural/Scientific Affairs - January 15; Aid-To-Education - April 15; Social Services/Medical-Health - July 15

Identification No.: 136093185

A GUIDE TO STATE ACRONYMS

CARD
Commercial Area
Revitalization District (MA)

CDBG
Community Development
Block Grant (US)

CDFC
Community Development
Finance Corporation (MA)

CEDAC
Community Economic Development
Assistance Corporation (MA)

CEED
Community Enterprise
Economic Development (MA)

CEIP
Coastal Zone Management (MA)

CZM
Coastal Zone Management (MA)

DCS
Division of Conservation Services (MA)

DMD
Department of
Manpower Development (MA)

DOT
U.S. Department of Transportation

DPW
Department of Public Works

DWPC
Division of Water
Pollution Control

EDA
Economic Development
Administration (US)

EOEA
Executive Office of
Environmental Affairs (MA)

FmHA
Farmers Home Administration (US)

FHWA
Federal Highway Administration (US)

FNMA
Federal National
Mortgage Association (US)

GNMA
Government National
Mortgage Association (US)

HUD
U.S. Department of Housing and
Urban Development

JTPA
Job Training Partnership Act

MBDC
Massachusetts Business
Development Corporation

MCRC
Massachusetts Capital
Resource Corporation

MHC
Massachusetts Historical Commission

MHFA
Massachusetts Housing Finance Agency

MHMFA
Massachusetts Home Mortgage Finance
Agency

MIFA
Massachusetts Industrial Finance
Agency

MTDC
Massachusetts Technology
Development Corporation

NHS
Neighborhood Housing
Services

EOEA
Executive Office of
Economic Affairs (MA)

EOCD
Executive Office of Communities
and Development (MA)

EOTC
Executive Office of Transportation
and Construction (MA)

NSA
Neighborhood Strategy Area (US)

SBA
Small Business Administration (US)

UDAG
Urban Development Action Grant (US)

UMTA
Urban Mass Transit Administration (US)